Form 3160-3 FORM APPROVED OMB No. 1004-0137 (June 2015) Expires: January 31, 2018 **UNITED STATES** DEPARTMENT OF THE INTERIOR 5. Lease Serial No. BUREAU OF LAND MANAGEMENT APPLICATION FOR PERMIT TO DRILL OR REENTER 6. If Indian, Allotee or Tribe Name 7. If Unit or CA Agreement, Name and No. DRILL REENTER 1a. Type of work: 1b. Type of Well: Oil Well Gas Well Other 8. Lease Name and Well No. 1c. Type of Completion: Hydraulic Fracturing Single Zone Multiple Zone 2. Name of Operator 9. API Well No. 30-015-54742 3a. Address 3b. Phone No. (include area code) 10. Field and Pool, or Exploratory 4. Location of Well (Report location clearly and in accordance with any State requirements.*) 11. Sec., T. R. M. or Blk. and Survey or Area At surface At proposed prod. zone 14. Distance in miles and direction from nearest town or post office* 12. County or Parish 13. State 15. Distance from proposed* 16. No of acres in lease 17. Spacing Unit dedicated to this well location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 18. Distance from proposed location* 19. Proposed Depth 20. BLM/BIA Bond No. in file to nearest well, drilling, completed, applied for, on this lease, ft. 21. Elevations (Show whether DF, KDB, RT, GL, etc.) 22. Approximate date work will start* 23. Estimated duration 24. Attachments The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, and the Hydraulic Fracturing rule per 43 CFR 3162.3-3 (as applicable) 1. Well plat certified by a registered surveyor. 4. Bond to cover the operations unless covered by an existing bond on file (see 2. A Drilling Plan. Item 20 above). 3. A Surface Use Plan (if the location is on National Forest System Lands, the 5. Operator certification. 6. Such other site specific information and/or plans as may be requested by the SUPO must be filed with the appropriate Forest Service Office). 25. Signature Name (Printed/Typed) Date Title Approved by (Signature) Date Name (Printed/Typed) Title Office Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Conditions of approval, if any, are attached. Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction

Approval Date: 01/31/2024

(Continued on page 2)

*(Instructions on page 2)

District I 1625 N. French Dr., Hobbs, NM 88240 Phone: (575) 393-6161 Fax: (575) 393-0720 District II 811 S. First St., Artesia, NM 88210 Phone: (575) 748-1283 Fax: (575) 748-9720 District III 1000 Rio Brazos Road, Aztec, NM 87410 Phone: (505) 334-6178 Fax: (505) 334-6170 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505 Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102 Revised August 1, 2011 Submit one copy to appropriate District Office

■ AMENDED REPORT

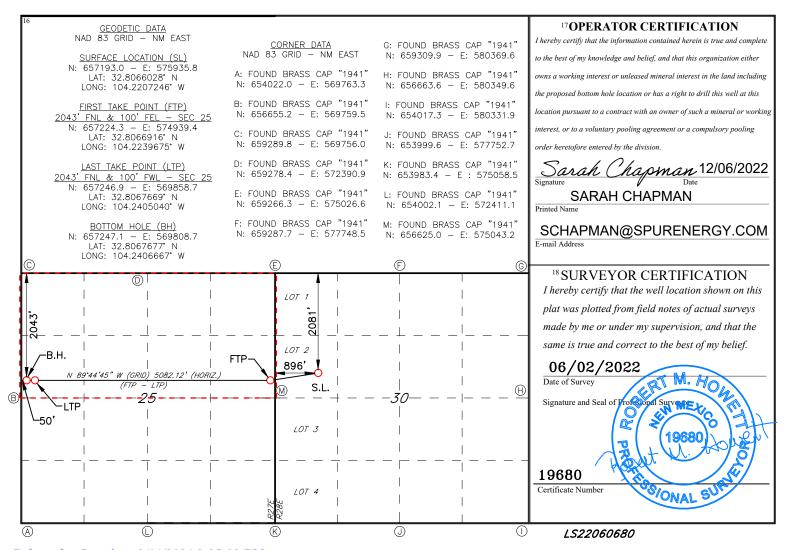
WELL LOCATION AND ACREAGE DEDICATION PLAT

| ¹ API Numbe | er 2 Pool C | Code | ³ Pool Name | | |
|----------------------------|-------------------------------|------------|-------------------------------------|-------|--|
| 30-015- 547 | 96836 | | RED LAKE; GLORIETA,-YESO, NORTHEAST | | |
| ⁴ Property Code | 5 Property Name 6 Well Number | | | | |
| 335342 | TAYLORCREST 25 FEDERAL 90H | | | | |
| 7 OGRID NO. | 8 Operator Name 9 Elevation | | | | |
| 328947 | SPUI | R ENERGY P | PARTNERS LLC. | 3566' | |

¹⁰ Surface Location

| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet From the | East/West line | County |
|--|----------|--------------|---------------|-----------|---------------|------------------|---------------|----------------|--------|
| 2 | 30 | 17S | 28E | | 2081 | NORTH | 896 | WEST | EDDY |
| ¹¹ Bottom Hole Location If Different From Surface | | | | | | | | | |
| UL or lot no. | Section | Township | Range | Lot Idn | Feet from the | North/South line | Feet from the | East/West line | County |
| E | 25 | 17S | 27E | | 2043 | NORTH | 50 | WEST | EDDY |
| 12 Dedicated Acres | 13 Joint | or Infill 14 | Consolidation | Code 15 (| Order No. | | | | • |
| 320 | | | | | | | | | |

No allowable will be assigned to this completion until all interest have been consolidated or a non-standard unit has been approved by the division.



State of New Mexico Energy, Minerals and Natural Resources Department

Submit Electronically Via E-permitting

Oil Conservation Division 1220 South St. Francis Dr. Santa Fe, NM 87505

NATURAL GAS MANAGEMENT PLAN

This Natural Gas Management Plan must be submitted with each Application for Permit to Drill (APD) for a new or recompleted well.

Section 1 – Plan Description Effective May 25, 2021

| I. Operator:SPUR | RENERGY I | PARTNERS LLC | OGRID: | 328947 | Date | : <u>09</u> / | 13/_2022 |
|--|-----------------------|---------------------|--------------------|----------------------------|--------------------------|---------------|---------------------------------------|
| II. Type: ズ Original □ | ☐ Amendmen | t due to □ 19.15.27 | .9.D(6)(a) NMAC | C □ 19.15.27.9.D | (6)(b) NMAC □ | Other. | |
| If Other, please describe | e: | | | | | | |
| III. Well(s): Provide the be recompleted from a s | | | | | wells proposed | to be dri | illed or proposed to |
| Well Name | API | ULSTR | Footages | Anticipated Oil BBL/D | Anticipated Gas MCF/D | P | Anticipated roduced Water BBL/D |
| TAYLORCREST 25 FEDERAL 21H | 30-015- | LOT 2-30-17S-28E | 2097' FNL 933' FWL | 252 BBL/D | 605 MCF/D | | 958 BBL/D |
| TAYLORCREST 25 FEDERAL 71H | 30-015- | LOT 2-30-17S-28E | 2089' FNL 915' FWL | 355 BBL/D | 817 MCF/D | | 1101 BBL/D |
| TAYLORCREST 25 FEDERAL 90H | 30-015- | LOT 2-30-17S-28E | 2081' FNL 896' FWL | 291 BBL/D | 319 MCF/D | | 2040 BBL/D |
| IV. Central Delivery P V. Anticipated Schedul proposed to be recomple | le: Provide th | e following informa | tion for each new | or recompleted v | | | 7.9(D)(1) NMAC] osed to be drilled or |
| Well Name | API | Spud Date | TD Reached Date | Completion Commencement | | Flow Date | First Production Date |
| TAYLORCREST 25 FEDERAL 21H | 30-015- | 12/29/2025 | 01/07/2026 | 01/31/2026 | 02/13/2 | 026 | 02/23/2026 |
| TAYLORCREST 25 FEDERAL 71H | 30-015- | 01/07/2026 | 01/17/2026 | 01/31/2026 | 02/13/2 | 026 | 02/23/2026 |
| /TAYLORCREST 25 FEDERAL 90H | 30-015- | 01/17/2026 | 01/27/2026 | 01/31/2026 | 02/13/2 | 026 | 02/23/2026 |
| VI. Separation Equipm VII. Operational Prac Subsection A through F | tices: ⋈ Atta | ch a complete desc | - | - | | • | |

VIII. Best Management Practices: X Attach a complete description of Operator's best management practices to minimize venting

during active and planned maintenance.

Section 2 – Enhanced Plan EFFECTIVE APRIL 1, 2022

Beginning April 1, 2022, an operator that is not in compliance with its statewide natural gas capture requirement for the applicable reporting area must complete this section.

🔀 Operator certifies that it is not required to complete this section because Operator is in compliance with its statewide natural gas capture requirement for the applicable reporting area.

IX. Anticipated Natural Gas Production:

| Well | API | Anticipated Average Natural Gas Rate MCF/D | Anticipated Volume of Natural Gas for the First Year MCF |
|------|-----|---|--|
| | | | |
| | | | |

X. Natural Gas Gathering System (NGGS):

| Operator | System | ULSTR of Tie-in | Anticipated Gathering | Available Maximum Daily Capacity |
|----------|--------|-----------------|-----------------------|----------------------------------|
| | | | Start Date | of System Segment Tie-in |
| | | | | |
| | | | | |

| XI. Map. Attach an accurate and legible map depicting the location of the well(s), the anticipated pipeline route(s) connecting the |
|---|
| production operations to the existing or planned interconnect of the natural gas gathering system(s), and the maximum daily capacity of |
| the segment or portion of the natural gas gathering system(s) to which the well(s) will be connected. |

| XII. Line Capacity. The natural gas gathering system [| \square will \square will not have cap | pacity to gather 100% of the | anticipated natural gas |
|--|--|------------------------------|-------------------------|
| production volume from the well prior to the date of first | t production. | | |

| XIII. Line Pressure. Operator \square does \square does not anticipate that its existing well(s) connected to the same segment, or portion | n, of the |
|---|-----------|
| natural gas gathering system(s) described above will continue to meet anticipated increases in line pressure caused by the new | |

| _ | | | _ | | | _ | | |
|---|------------|-----------|-------------|----------|-----------|-------------|---------------|-------------------|
| | ∣ Attach (| Onerator' | s nlan to i | manage n | roduction | in response | to the increa | sed line pressure |

| XIV. Confidentiality: U Operator asserts confidentiality pursuant to Section 71-2-8 NMSA 1978 for the information | provided in |
|--|-------------|
| Section 2 as provided in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and attaches a full description of the specific | information |
| for which confidentiality is asserted and the basis for such assertion. | |

Section 3 - Certifications Effective May 25, 2021

Operator certifies that, after reasonable inquiry and based on the available information at the time of submittal: 🔀 Operator will be able to connect the well(s) to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system: or ☐ Operator will not be able to connect to a natural gas gathering system in the general area with sufficient capacity to transport one hundred percent of the anticipated volume of natural gas produced from the well(s) commencing on the date of first production, taking into account the current and anticipated volumes of produced natural gas from other wells connected to the pipeline gathering system. If Operator checks this box, Operator will select one of the following: Well Shut-In. ☐ Operator will shut-in and not produce the well until it submits the certification required by Paragraph (4) of Subsection D of 19.15.27.9 NMAC: or Venting and Flaring Plan.

Operator has attached a venting and flaring plan that evaluates and selects one or more of the potential alternative beneficial uses for the natural gas until a natural gas gathering system is available, including: (a) power generation on lease; **(b)** power generation for grid; compression on lease; (c) (d) liquids removal on lease; reinjection for underground storage; (e) **(f)** reinjection for temporary storage; **(g)** reinjection for enhanced oil recovery; fuel cell production; and (h)

other alternative beneficial uses approved by the division.

- 1. If, at any time after Operator submits this Natural Gas Management Plan and before the well is spud:
- (a) Operator becomes aware that the natural gas gathering system it planned to connect the well(s) to has become unavailable or will not have capacity to transport one hundred percent of the production from the well(s), no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised venting and flaring plan containing the information specified in Paragraph (5) of Subsection D of 19.15.27.9 NMAC; or

Section 4 - Notices

- (b) Operator becomes aware that it has, cumulatively for the year, become out of compliance with its baseline natural gas capture rate or natural gas capture requirement, no later than 20 days after becoming aware of such information, Operator shall submit for OCD's approval a new or revised Natural Gas Management Plan for each well it plans to spud during the next 90 days containing the information specified in Paragraph (2) of Subsection D of 19.15.27.9 NMAC, and shall file an update for each Natural Gas Management Plan until Operator is back in compliance with its baseline natural gas capture rate or natural gas capture requirement.
- 2. OCD may deny or conditionally approve an APD if Operator does not make a certification, fails to submit an adequate venting and flaring plan which includes alternative beneficial uses for the anticipated volume of natural gas produced, or if OCD determines that Operator will not have adequate natural gas takeaway capacity at the time a well will be spud.

I certify that, after reasonable inquiry, the statements in and attached to this Natural Gas Management Plan are true and correct to the best of my knowledge and acknowledge that a false statement may be subject to civil and criminal penalties under the Oil and Gas Act.

| Signature: Sarah Chapman |
|---|
| Printed Name: SARAH CHAPMAN |
| Title: REGULATORY DIRECTOR |
| E-mail Address: SCHAPMAN@SPURENERGY.COM |
| Date: 09/13/2022 |
| Phone: 832-930-8613 |
| OIL CONSERVATION DIVISION |
| (Only applicable when submitted as a standalone form) |
| Approved By: |
| Title: |
| Approval Date: |
| Conditions of Approval: |
| |
| |
| |
| |
| |

1. Geologic Formations

| TVD of Target | 4,225' |
|---------------|--------|
| MD at TD | 9,909' |

| Formation | Depth | Lithology | Expected Fluids |
|--------------|-------|---------------------------------------|------------------|
| Quaternary | 0' | Dolomite, other: Caliche | Useable Water |
| Tansill | 135' | Sandstone, Dolomite | None |
| Yates | 225' | Dolomite, Limestone, Shale, Siltstone | None |
| Seven Rivers | 467' | Dolomite, Limestone | Natural Gas, Oil |
| Queen | 1012' | Anhydrite, Dolomite, Sandstone | Natural Gas, Oil |
| Grayburg | 1450' | Anhydrite | Natural Gas, Oil |
| San Andres | 1765' | Dolomite | Natural Gas, Oil |
| Glorieta | 3150' | Dolomite, Siltstone | Natural Gas, Oil |
| Paddock | 3242' | Dolomite, Limestone | Natural Gas, Oil |
| Blinebry | 3733' | Dolomite, Limestone | Natural Gas, Oil |
| Tubb | 4618' | Dolomite, Limestone | Natural Gas, Oil |

^{*}H2S, water flows, loss of circulation, abnormal pressures, etc.

2. Casing Program

All casing strings will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.h

| Casing | H-1- (' (') | Casing Inter | val | Csg. Size | Weight | Condo | C | SF | CF D4 | Body SF | Joint SF |
|---------------------------|----------------|--------------|---------|-----------|--------|-------|-------|----------|----------------|--------------|-------------|
| Formation Set Interval | Hole Size (in) | From (ft) | To (ft) | (in) | (lbs) | Grade | Conn. | Collapse | SF Burst | Tension | Tensio n |
| Yates | 17.5 | 0 | 275 | 13.375 | 54.5 | J-55 | BTC | 1.125 | 1.2 | 1.4 | 1.4 |
| Seven Rivers | 12.25 | 0 | 900 | 9.625 | 36 | J-55 | BTC | 1.125 | 1.2 | 1.4 | 1.4 |
| N/A | 8.75 | 0 | 4550 | 7 | 32 | L-80 | BK-HT | 1.125 | 1.2 | 1.4 | 1.4 |
| Yeso | 8.75 | 4550 | 9909 | 5.5 | 20 | L-80 | BK-HT | 1.125 | 1.2 | 1.4 | 1.4 |
| | | | | | | | | SF | Values will me | et or Exceed | |

| | Y or N |
|--|--------|
| Is casing new? If used, attach certification as required in Onshore Order #1 | Y |
| Does casing meet API specifications? If no, attach casing specification sheet. | Y |
| Is premium or uncommon casing planned? If yes attach casing specification sheet. | N |
| Does the above casing design meet or exceed BLM's minimum standards? If not provide justification (loading assumptions, casing design criteria). | Y |
| Will the intermediate pipe be kept at a minimum 1/3 fluid filled to avoid approaching the collapse pressure rating of the casing? | Y |
| Is well located within Capitan Reef? | N |
| If yes, does production casing cement tie back a minimum of 50' above the Reef? | |
| Is well within the designated 4 string boundary. | |
| Is well located in SOPA but not in R-111-P? | N |
| If yes, are the first 2 strings cemented to surface and 3 rd string cement tied back 500' into previous casing? | |
| Is well located in R-111-P and SOPA? | N |
| If yes, are the first three strings cemented to surface? | |
| Is 2 nd string set 100' to 600' below the base of salt? | |
| Is well located in high Cave/Karst? | Y |
| If yes, are there two strings cemented to surface? | Y |
| Is well located in critical Cave/Karst? | N |
| If yes, are there three strings cemented to surface? | |

3. Cementing Program

| Casing String | Top (ft) | Bottom (ft) | % Excess |
|---------------------|----------|-------------|----------|
| Surface Tail | 0 | 275 | 165% |
| Intermediate (Lead) | 0 | 275 | 100% |
| Intermediate (Tail) | 275 | 900 | 100% |
| Production (Lead) | 0 | 3550 | 100% |
| Production (Tail) | 3550 | 9909 | 25% |

| Casing String | # Sks | Wt. | Yld | H20 | 500# Comp. Strength | Slurry Description |
|---------------------|-------|---------------------------|--------------------|------------------|---------------------------|----------------------------|
| Surface Tail | 257 | (lb/gal) 13.2 | (ft3/sack) 1.87 | (gal/sk) 9.92 | (hours) 6:59 | Clas C Premium Plus Cement |
| Intermediate (Lead) | 42 | 12 | 2.4 | 13.48 | | Clas C Premium Plus Cement |
| Intermediate (Tail) | 220 | 13.2 | 1.87 | 9.92 | 6:59 | Clas C Premium Plus Cement |
| Production (Lead) | 553 | 11.4 | 2.42 | 15.29 | N/A | Clas C Premium Plus Cement |
| Production (Tail) | 1211 | 13.2 | 1.56 | 9.81 | N/A | Clas C Premium Plus Cement |

4. Pressure Control Equipment

Spur Energy Partners LLC variance for flex hose

Spur requests a variance to use a flex line from the BOP to the choke manifold. Documentation will be attached in the APD and be readily available. No external damage to flex line. Flex line to be installed as straight as possible (no bends).

| BOP installed and tested before drilling which hole? | Size? | Min. Required WP | Туре | | √ | Tested to: | |
|--|---------|------------------------|---------------------|----------|----------|-------------------------|--------------------|
| | | 5M | Annula | r | ~ | 70% of working pressure | |
| 12.25" Hole | 13-5/8" | | Blind Ra | m | ✓ | | |
| 12.25 Hole | 13-3/8 | 5M | Pipe Rai | m | ✓ | 250 psi / 3000 psi | |
| | | | 31VI | Double R | am | | 230 psi / 3000 psi |
| | | | Other* | | | | |
| | | 5M | Annula | r | √ | 70% of working pressure | |
| 8.75" Hole | 12 5/9" | | Blind Ra | m | \ | | |
| 8.75 Hole | 13-5/8" | 53.6 | Pipe Ram Double Ram | | ✓ | 250 :/2000 : | |
| | | 5M | | | | 250 psi / 3000 psi | |
| | | | Other* | | | | |

Spur Energy Partners LLC will be utilizing a 5M BOP

| Condition | Specify what type and where? |
|-------------------------------|------------------------------|
| BH Pressure at deepest TVD | 1979 psi |
| Abnormal Temperature | No |
| BH Temperature at deepest TVD | 115°F |

^{*}Specify if additional ram is utilized.

BOP/BOPE will be tested by an independent service company to 250 psi low and the high pressure indicated above per Onshore Order 2 requirements. The System may be upgraded to a higher pressure but still tested to the working pressure listed in the table above. If the system is upgraded all the components installed will be functional and tested.

Pipe rams will be operationally checked each 24-hour period. Blind rams will be operationally checked on each trip out of the hole. These checks will be noted on the daily tour sheets. Other accessories to the BOP equipment will include a Kelly cock and floor safety valve (inside BOP) and choke lines and choke manifold. See attached schematics.

Formation integrity test will be performed per Onshore Order #2. On Exploratory wells or on that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Will be tested in accordance with Onshore Oil and Gas Order #2 III.B.1.i.

Y Are anchors required by manufacturer?

3 Drilling Plan

A conventional wellhead system will be employed. The wellhead and connection to the BOPE will meet all API 6A requirements. The BOP will be tested per Onshore Order #2 after installation on the surface casing which will cover testing requirements for a maximum of 30 days.

See attached schematics.

5. BOP Break Testing Request

Spur Energy Partners LLC requests permission to adjust the BOP break testing requirements as follows:

BOP break test under the following conditions:

- After a full BOP test is conducted
- When skidding to drill the production section, where the surface casing point is shallower than the 3 Bone Spring or 10,000 TVD.
- When skidding to drill a production section that does not penetrate the 3rd Bone Spring or deeper.

If the kill line is broken prior to skid, four tests will be performed.

- 1) The void between the wellhead and the spool (this consists of two tests)
- 2) The spool between the kill lines and the choke manifold (this consists of two tests)

If the kill line is not broken prior to skid, two tests will be performed.

1) The void between the wellhead and the pipe rams

6. Mud Program

Sufficient mud materials to maintain mud properties and meet minimum lost circulation and weight increase requirements will be kept on location at all times. The following is a general list of products: Barite, Bentonite, Gypsum, Lime, Soda Ash, Caustic Soda, Nut Plug, Cedar Fiber, Cotton Seed Hulls, Drilling Paper, Salt Water Clay, CACL2. Spur will use a closed mud system.

| Depth | | Т | Weight (mag) | ¥72 | Water Loss | |
|-----------|---------|-----------------|--------------|-----------|------------|--|
| From (ft) | To (ft) | Туре | Weight (ppg) | Viscosity | water Loss | |
| 0 | 275 | Water-Based Mud | 8.6-8.9 | 32-36 | N/C | |
| 275 | 900 | Brine | 10.0-10.5 | 32-36 | N/C | |
| 900 | 9909 | Brine | 10.0-10.5 | 38-50 | N/C | |

What will be used to monitor the loss or gain of fluid? PVT/PASON/Visual Monitoring

7. Logging and Testing Procedures

| Logg | Logging, Coring and Testing. | | | | | | |
|------|--|---------------------------------------|-------|--|--|--|--|
| Yes | Will run GR from TD to surface (horizontal well – vertical portion of hole). Stated logs | | | | | | |
| | run will be in the Comp | letion Report and submitted to the BI | LM. | | | | |
| No | Logs are planned based | on well control or offset log informa | tion. | | | | |
| No | Drill stem test? If yes, explain | | | | | | |
| No | Coring? If yes, explain | | | | | | |
| Addi | tional logs planned | Interval | | | | | |
| No | Resistivity | | | | | | |
| No | Density | | | | | | |
| No | CBL | | | | | | |

ICP - TD

8. Drilling Conditions

Mud log PEX

Yes

No

Pump high viscosity sweeps as needed for hole cleaning. The mud system will be monitored visually/manually as well as with an electronic PVT. The necessary mud products for additional weight and fluid loss control will be on location at all times. Appropriately weighted mud will be used to isolate potential gas, oil, and water zones until such time as casing can be cemented into place for zonal isolation.

| Hyd | rogen Sulfide (H2S) monitors will be installed prior to drilling out the surface shoe. If H2S | | | | | |
|-------|--|--|--|--|--|--|
| is de | is detected in concentrations greater than 100 ppm, the operator will comply with the provisions | | | | | |
| of O | of Onshore Oil and Gas Order #6. If Hydrogen Sulfide is encountered, measured values and | | | | | |
| form | formations will be provided to the BLM. | | | | | |
| N | H2S is present | | | | | |
| Y | H2S Plan attached | | | | | |

Total estimated cuttings volume: 999.4 bbls.

9. Other facets of operation

| | Yes/No |
|---|--------|
| Will more than one drilling rig be used for drilling operations? If yes, describe. | Yes |
| Spur Energy Partners LLC. requests the option to contract a Surface Rig to drill, | |
| set surface casing, and cement for this well. If the timing between rigs is such that | |
| Spur Energy Partners LLC. would not be able to preset surface, the Primary Rig | |
| will MIRU and drill the well in its entirety per the APD. Please see the attached | |
| document for information on the spudder rig. | |

Attachments

- _x__ Directional Plan
- _x__ H2S Contingency Plan
- _x__ Akita 57 Attachments
- _x__ BOP Schematics
- _x__ Transcend Spudder Rig Attachments

10. Company Personnel

| <u>Name</u> | <u>Title</u> | Office Phone | Mobile Phone |
|--------------------|----------------------------------|--------------|--------------|
| Christopher Hollis | Drilling Manager | 832-930-8629 | 713-380-7754 |
| Johnny Nabors | Senior Vice President Operations | 832-930-8502 | 281-904-8811 |



Spur Energy Partners, LLC

Eddy County, NM (NAD 83 - NME) TAYLORCREST 25 FEDERAL 90H

Wellbore #1

Plan: PERMIT

Standard Planning Report

22 August, 2022





Planning Report



Database: WBDS_SQL_2

Company: Spur Energy Partners, LLC
Project: Eddy County, NM (NAD 83 - NME)
Site: TAYLORCREST 25 FEDERAL

Well: 90H
Wellbore: Wellbore #1
Design: PERMIT

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well 90H

RKB = 20' @ 3586.00usft (AKITA 57) RKB = 20' @ 3586.00usft (AKITA 57)

Grid

Minimum Curvature

Project Eddy County, NM (NAD 83 - NME)

Map System:US State Plane 1983Geo Datum:North American Datum 1983Map Zone:New Mexico Eastern Zone

System Datum:

Mean Sea Level

Site TAYLORCREST 25 FEDERAL

658,538.40 usft Site Position: Northing: Latitude: 32.8103035 -104.2238987 From: Мар Easting: 574,959.20 usft Longitude: 0.059° **Position Uncertainty:** 0.00 usft Slot Radius: 13.200 in **Grid Convergence:**

Well 90H

 Well Position
 +N/-S
 -1,345.40 usft
 Northing:
 657,193.00 usft
 Latitude:
 32.8066027

 +E/-W
 976.60 usft
 Easting:
 575,935.80 usft
 Longitude:
 -104.2207247

Position Uncertainty0.00 usftWellhead Elevation:Ground Level:3,566.00 usft

Wellbore #1

 Magnetics
 Model Name
 Sample Date (°)
 Declination (°)
 Dip Angle (nT)
 Field Strength (nT)

 IGRF2020
 08/20/22
 6.755
 60.294
 47,646.40501175

Design PERMIT

Audit Notes:

Version:Phase:PLANTie On Depth:0.00

 Vertical Section:
 Depth From (TVD) (usft)
 +N/-S (usft)
 +E/-W (usft)
 Direction (usft)

 0.00
 0.00
 0.00
 270.25

Plan Survey Tool Program Date 08/22/22

Depth From Depth To

(usft)

(usft) Survey (Wellbore)

Tool Name Remarks

1 0.00 9,908.62 PERMIT (Wellbore #1) MWD+IFR1+SAG+FDIR

OWSG MWD + IFR1 + Sag

| Plan Section | s | | | | | | | | | |
|-----------------------------|-----------------|----------------|-----------------------------|-----------------|-----------------|-----------------------------|----------------------------|---------------------------|------------|----------------|
| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) | TFO (°) | Target |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.000 | |
| 2,140.00 | 0.00 | 0.00 | 2,140.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.000 | |
| 2,290.13 | 3.00 | 288.65 | 2,290.07 | 1.26 | -3.73 | 2.00 | 2.00 | 0.00 | 288.653 | |
| 3,320.22 | 3.00 | 288.65 | 3,318.73 | 18.52 | -54.85 | 0.00 | 0.00 | 0.00 | 0.000 | |
| 4,272.81 | 60.00 | 270.25 | 4,098.27 | 29.23 | -531.14 | 6.00 | 5.98 | -1.93 | -18.986 | |
| 4,472.81 | 60.00 | 270.25 | 4,198.27 | 30.00 | -704.34 | 0.00 | 0.00 | 0.00 | 0.000 | |
| 4,778.39 | 90.56 | 270.25 | 4,275.00 | 31.30 | -996.40 | 10.00 | 10.00 | 0.00 | 0.000 | 3. TAYLORCREST |
| 9,859.38 | 90.56 | 270.25 | 4,225.49 | 53.88 | -6,077.10 | 0.00 | 0.00 | 0.00 | 0.000 4 | 4. TAYLORCREST |
| 9,909.39 | 90.56 | 270.25 | 4,225.00 | 54.10 | -6,127.10 | 0.00 | 0.00 | 0.00 | 0.000 \$ | 5. TAYLORCREST |



Site:

Planning Report



Database: Company: Project: WBDS_SQL_2

Spur Energy Partners, LLC Eddy County, NM (NAD 83 - NME) TAYLORCREST 25 FEDERAL

Well: 90H
Wellbore: Wellbore #1
Design: PERMIT

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well 90H

RKB = 20' @ 3586.00usft (AKITA 57)

RKB = 20' @ 3586.00usft (AKITA 57)

Grid

Minimum Curvature

| Planned Survey | | | | | | | | | |
|-----------------------------|--------------------|----------------|-----------------------------|-----------------|------------------|-------------------------------|-----------------------------|----------------------------|---------------------------|
| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) |
| 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 100.00 | 0.00 | 0.00 | 100.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 200.00 | 0.00 | 0.00 | 200.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 300.00 | 0.00 | 0.00 | 300.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 400.00 | 0.00 | 0.00 | 400.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 500.00 | 0.00 | 0.00 | 500.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 600.00 | 0.00 | 0.00 | 600.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 700.00 | 0.00 | 0.00 | 700.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 800.00 | 0.00 | 0.00 | 800.00 | | 0.00 | | 0.00 | | |
| | | | | 0.00 | | 0.00 | | 0.00 | 0.00 |
| 900.00 | 0.00 | 0.00 | 900.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,000.00 | 0.00 | 0.00 | 1,000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,100.00 | 0.00 | 0.00 | 1,100.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,200.00 | 0.00 | 0.00 | 1,200.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,300.00 | 0.00 | 0.00 | 1,300.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,400.00 | 0.00 | 0.00 | 1,400.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| · | | | | | | | | | |
| 1,500.00 | 0.00 | 0.00 | 1,500.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,600.00 | 0.00 | 0.00 | 1,600.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,700.00 | 0.00 | 0.00 | 1,700.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,800.00 | 0.00 | 0.00 | 1,800.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 1,900.00 | 0.00 | 0.00 | 1,900.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2.000.00 | 0.00 | 0.00 | 2,000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| , | 0.00 | 0.00 | 2,100.00 | | 0.00 | 0.00 | 0.00 | | |
| 2,100.00 | | | | 0.00 | | | | 0.00 | 0.00 |
| 2,140.00 | 0.00 | 0.00 | 2,140.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2,200.00 | 1.20 | 288.65 | 2,200.00 | 0.20 | -0.60 | 0.60 | 2.00 | 2.00 | 0.00 |
| 2,290.13 | 3.00 | 288.65 | 2,290.07 | 1.26 | -3.73 | 3.73 | 2.00 | 2.00 | 0.00 |
| 2,300.00 | 3.00 | 288.65 | 2,299.92 | 1.42 | -4.22 | 4.22 | 0.00 | 0.00 | 0.00 |
| 2,400.00 | 3.00 | 288.65 | 2,399.78 | 3.10 | -9.18 | 9.19 | 0.00 | 0.00 | 0.00 |
| 2,500.00 | 3.00 | 288.65 | 2,499.64 | 4.77 | -14.14 | 14.16 | 0.00 | 0.00 | 0.00 |
| 2,600.00 | 3.00 | 288.65 | 2,599.51 | 6.45 | -19.11 | 19.13 | 0.00 | 0.00 | 0.00 |
| 2,700.00 | 3.00 | 288.65 | 2,699.37 | 8.12 | -24.07 | 24.10 | 0.00 | 0.00 | 0.00 |
| | | | | | | | | | |
| 2,800.00 | 3.00 | 288.65 | 2,799.23 | 9.80 | -29.03 | 29.07 | 0.00 | 0.00 | 0.00 |
| 2,900.00 | 3.00 | 288.65 | 2,899.09 | 11.48 | -34.00 | 34.04 | 0.00 | 0.00 | 0.00 |
| 3,000.00 | 3.00 | 288.65 | 2,998.96 | 13.15 | -38.96 | 39.02 | 0.00 | 0.00 | 0.00 |
| 3,100.00 | 3.00 | 288.65 | 3,098.82 | 14.83 | -43.92 | 43.99 | 0.00 | 0.00 | 0.00 |
| 3,200.00 | 3.00 | 288.65 | 3,198.68 | 16.50 | -48.88 | 48.96 | 0.00 | 0.00 | 0.00 |
| 3,300.00 | 3.00 | 288.65 | 3,298.54 | 18.18 | -53.85 | 53.93 | 0.00 | 0.00 | 0.00 |
| 3,320.22 | 3.00 | 288.65 | 3,318.73 | 18.52 | -54.85 | 54.93 | 0.00 | 0.00 | 0.00 |
| 3,350.00 | 4.73 | 281.58 | 3,348.45 | 19.01 | -56.79 | 56.88 | 6.00 | 5.79 | -23.74 |
| 3,400.00 | 7.69 | 276.94 | 3,346.45 | 19.83 | -62.13 | 62.22 | 6.00 | 5.79 | -23.74 -9.28 |
| 3,450.00 | 10.67 | 276.94 | 3,396.15 | 20.63 | -02.13 -70.07 | 70.16 | 6.00 | 5.92 5.96 | -9.26 -4.13 |
| | | | | | | | | | |
| 3,500.00 | 13.66 | 273.71 | 3,496.38 | 21.40 | -80.57 | 80.67 | 6.00 | 5.98 | -2.34 |
| 3,550.00 | 16.65 | 272.96 | 3,544.63 | 22.16 | -93.62 | 93.72 | 6.00 | 5.99 | -1.51 |
| 3,600.00 | 19.65 | 272.43 | 3,592.14 | 22.88 | -109.18 | 109.28 | 6.00 | 5.99 | -1.06 |
| 3,650.00 | 22.65 | 272.03 | 3,638.76 | 23.58 | -127.21 | 127.31 | 6.00 | 5.99 | -0.79 |
| 3,700.00 | 25.64 | 271.73 | 3,684.38 | 24.25 | -147.65 | 147.75 | 6.00 | 5.99 | -0.61 |
| 3,750.00 | 28.64 | 271.48 | 3,728.87 | 24.88 | -170.44 | 170.55 | 6.00 | 6.00 | -0.49 |
| | | | | 24.00 25.48 | | | 6.00 | | -0.49 -0.41 |
| 3,800.00 | 31.64 | 271.28 | 3,772.11 | | -195.54 | 195.65 | | 6.00 | |
| 3,850.00 | 34.64 | 271.10 | 3,813.97 | 26.05 | -222.87 | 222.98 | 6.00 | 6.00 | -0.34 |
| 3,900.00 | 37.64 | 270.96 | 3,854.35 | 26.58 | -252.34 | 252.46 | 6.00 | 6.00 | -0.29 |
| 3,950.00 | 40.64 | 270.83 | 3,893.12 | 27.07 | -283.90 | 284.01 | 6.00 | 6.00 | -0.26 |
| 4,000.00 | 43.64 | 270.72 | 3,930.20 | 27.52 | -317.43 | 317.55 | 6.00 | 6.00 | -0.23 |
| 4,050.00 | 46.63 | 270.61 | 3,965.46 | 27.93 | -352.87 | 352.98 | 6.00 | 6.00 | -0.20 |
| 4,100.00 | 49.63 | 270.52 | 3,998.83 | 28.30 | -390.09 | 390.21 | 6.00 | 6.00 | -0.18 |
| 7,100.00 | | | | | | | 6.00 | | |



Planning Report



Database: WBDS_SQL_2
Company: Spur Energy Pa

Company: Spur Energy Partners, LLC
Project: Eddy County, NM (NAD 83 - NME)
Site: TAYLORCREST 25 FEDERAL

Well: 90H
Wellbore: Wellbore #1
Design: PERMIT

Local Co-ordinate Reference:

TVD Reference:
MD Reference:
North Reference:

Survey Calculation Method:

Well 90H

RKB = 20' @ 3586.00usft (AKITA 57) RKB = 20' @ 3586.00usft (AKITA 57)

Grid

Minimum Curvature

| Planned Survey | | | | | | | | | |
|-----------------------------|--------------------|----------------|-----------------------------|-----------------|-----------------|-------------------------------|-----------------------------|----------------------------|---------------------------|
| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) |
| 4,200.00 | 55.63 | 270.36 | 4,059.49 | 28.90 | -469.53 | 469.65 | 6.00 | 6.00 | -0.16 |
| 4,250.00 | 58.63 | 270.29 | 4,086.63 | 29.14 | -511.52 | 511.65 | 6.00 | 6.00 | -0.15 |
| 4,272.81 | 60.00 | 270.25 | 4,098.27 | 29.23 | -531.14 | 531.26 | 6.00 | 6.00 | -0.14 |
| 4,300.00 | 60.00 | 270.25 | 4,111.86 | 29.34 | -554.69 | 554.81 | 0.00 | 0.00 | 0.00 |
| 4,400.00 | 60.00 | 270.25 | 4,161.86 | 29.72 | -641.29 | 641.41 | 0.00 | 0.00 | 0.00 |
| 4,472.81 | 60.00 | 270.25 | 4,198.27 | 30.00 | -704.34 | 704.47 | 0.00 | 0.00 | 0.00 |
| 4,500.00 | 62.72 | 270.25 | 4,211.30 | 30.11 | -728.20 | 728.33 | 10.00 | 10.00 | 0.00 |
| 4,550.00 | 67.72 | 270.25 | 4,232.25 | 30.31 | -773.58 | 773.71 | 10.00 | 10.00 | 0.00 |
| 4,600.00 | 72.72 | 270.25 | 4,249.16 | 30.52 | -820.62 | 820.74 | 10.00 | 10.00 | 0.00 |
| 4,650.00 | 77.72 | 270.25 | 4,261.92 | 30.73 | -868.95 | 869.07 | 10.00 | 10.00 | 0.00 |
| 4,700.00 | 82.72 | 270.25 | 4,270.41 | 30.95 | -918.21 | 918.33 | 10.00 | 10.00 | 0.00 |
| 4,750.00 | 87.72 | 270.25 | 4,274.57 | 31.17 | -968.02 | 968.14 | 10.00 | 10.00 | 0.00 |
| 4,778.39 | 90.56 | 270.25 | 4,275.00 | 31.30 | -996.40 | 996.53 | 10.00 | 10.00 | 0.00 |
| 4,800.00 | 90.56 | 270.25 | 4,274.79 | 31.40 | -1,018.01 | 1,018.13 | 0.00 | 0.00 | 0.00 |
| 4,900.00 | 90.56 | 270.25 | 4,273.82 | 31.84 | -1,118.00 | 1,118.13 | 0.00 | 0.00 | 0.00 |
| 5,000.00 | 90.56 | 270.25 | 4,272.84 | 32.28 | -1,218.00 | 1,218.13 | 0.00 | 0.00 | 0.00 |
| 5,100.00 | 90.56 | 270.25 | 4,271.87 | 32.73 | -1,317.99 | 1,318.12 | 0.00 | 0.00 | 0.00 |
| 5,200.00 | 90.56 | 270.25 | 4,270.89 | 33.17 | -1,417.98 | 1,418.12 | 0.00 | 0.00 | 0.00 |
| 5,300.00 | 90.56 | 270.25 | 4,269.92 | 33.62 | -1,517.98 | 1,518.11 | 0.00 | 0.00 | 0.00 |
| 5,400.00 | 90.56 | 270.25 | 4,268.94 | 34.06 | -1,617.97 | 1,618.11 | 0.00 | 0.00 | 0.00 |
| 5,500.00 | 90.56 | 270.25 | 4,267.97 | 34.51 | -1,717.97 | 1,718.10 | 0.00 | 0.00 | 0.00 |
| 5,600.00 | 90.56 | 270.25 | 4,266.99 | 34.95 | -1,817.96 | 1,818.10 | 0.00 | 0.00 | 0.00 |
| 5,700.00 | 90.56 | 270.25 | 4,266.02 | 35.40 | -1,917.96 | 1,918.09 | 0.00 | 0.00 | 0.00 |
| 5,800.00 | 90.56 | 270.25 | 4,265.04 | 35.84 | -2,017.95 | 2,018.09 | 0.00 | 0.00 | 0.00 |
| 5,900.00 | 90.56 | 270.25 | 4,264.07 | 36.28 | -2,117.94 | 2,118.08 | 0.00 | 0.00 | 0.00 |
| 6,000.00 | 90.56 | 270.25 | 4,263.10 | 36.73 | -2,217.94 | 2,218.08 | 0.00 | 0.00 | 0.00 |
| 6,100.00 | 90.56 | 270.25 | 4,262.12 | 37.17 | -2,317.93 | 2,318.07 | 0.00 | 0.00 | 0.00 |
| 6,200.00 | 90.56 | 270.25 | 4,261.15 | 37.62 | -2,417.93 | 2,418.07 | 0.00 | 0.00 | 0.00 |
| 6,300.00 | 90.56 | 270.25 | 4,260.17 | 38.06 | -2,517.92 | 2,518.06 | 0.00 | 0.00 | 0.00 |
| 6,400.00 | 90.56 | 270.25 | 4,259.20 | 38.51 | -2,617.92 | 2,618.06 | 0.00 | 0.00 | 0.00 |
| 6,500.00 | 90.56 | 270.25 | 4,258.22 | 38.95 | -2,717.91 | 2,718.05 | 0.00 | 0.00 | 0.00 |
| 6,600.00 | 90.56 | 270.25 | 4,257.25 | 39.39 | -2,817.90 | 2,818.05 | 0.00 | 0.00 | 0.00 |
| 6,700.00 | 90.56 | 270.25 | 4,256.27 | 39.84 | -2,917.90 | 2,918.04 | 0.00 | 0.00 | 0.00 |
| 6,800.00 | 90.56 | 270.25 | 4,255.30 | 40.28 | -3,017.89 | 3,018.04 | 0.00 | 0.00 | 0.00 |
| 6,900.00 | 90.56 | 270.25 | 4,254.33 | 40.73 | -3,117.89 | 3,118.04 | 0.00 | 0.00 | 0.00 |
| 7,000.00 | 90.56 | 270.25 | 4,253.35 | 41.17 | -3,217.88 | 3,218.03 | 0.00 | 0.00 | 0.00 |
| 7,100.00 | 90.56 | 270.25 | 4,252.38 | 41.62 | -3,317.88 | 3,318.03 | 0.00 | 0.00 | 0.00 |
| 7,200.00 | 90.56 | 270.25 | 4,251.40 | 42.06 | -3,417.87 | 3,418.02 | 0.00 | 0.00 | 0.00 |
| 7,300.00 | 90.56 | 270.25 | 4,250.43 | 42.50 | -3,517.86 | 3,518.02 | 0.00 | 0.00 | 0.00 |
| 7,400.00 | 90.56 | 270.25 | 4,249.45 | 42.95 | -3,617.86 | 3,618.01 | 0.00 | 0.00 | 0.00 |
| 7,500.00 | 90.56 | 270.25 | 4,248.48 | 43.39 | -3,717.85 | 3,718.01 | 0.00 | 0.00 | 0.00 |
| 7,600.00 | 90.56 | 270.25 | 4,247.50 | 43.84 | -3,817.85 | 3,818.00 | 0.00 | 0.00 | 0.00 |
| 7,700.00 | 90.56 | 270.25 | 4,246.53 | 44.28 | -3,917.84 | 3,918.00 | 0.00 | 0.00 | 0.00 |
| 7,800.00 | 90.56 | 270.25 | 4,245.56 | 44.73 | -4,017.84 | 4,017.99 | 0.00 | 0.00 | 0.00 |
| 7,900.00 | 90.56 | 270.25 | 4,244.58 | 45.17 | -4,117.83 | 4,117.99 | 0.00 | 0.00 | 0.00 |
| 8,000.00 | 90.56 | 270.25 | 4,243.61 | 45.62 | -4,217.82 | 4,217.98 | 0.00 | 0.00 | 0.00 |
| 8,100.00 | 90.56 | 270.25 | 4,242.63 | 46.06 | -4,317.82 | 4,317.98 | 0.00 | 0.00 | 0.00 |
| 8,200.00 | 90.56 | 270.25 | 4,241.66 | 46.50 | -4,417.81 | 4,417.97 | 0.00 | 0.00 | 0.00 |
| 8,300.00 | 90.56 | 270.25 | 4,240.68 | 46.95 | -4,517.81 | 4,517.97 | 0.00 | 0.00 | 0.00 |
| 8,400.00 | 90.56 | 270.25 | 4,239.71 | 47.39 | -4,617.80 | 4,617.96 | 0.00 | 0.00 | 0.00 |
| 8,500.00 | 90.56 | 270.25 | 4,238.73 | 47.84 | -4,717.80 | 4,717.96 | 0.00 | 0.00 | 0.00 |
| 8,600.00 | 90.56 | 270.25 | 4,237.76 | 48.28 | -4,817.79 | 4,817.95 | 0.00 | 0.00 | 0.00 |
| 8,700.00 | 90.56 | 270.25 | 4,236.79 | 48.73 | -4,917.78 | 4,917.95 | 0.00 | 0.00 | 0.00 |
| 8,800.00 | 90.56 | 270.25 | 4,235.81 | 49.17 | -5,017.78 | 5,017.94 | 0.00 | 0.00 | 0.00 |



Planning Report



WBDS_SQL_2 Database:

Spur Energy Partners, LLC Company: Eddy County, NM (NAD 83 - NME) Project: Site: TAYLORCREST 25 FEDERAL

Well: 90H Wellbore: Wellbore #1 **PERMIT** Design:

Local Co-ordinate Reference:

TVD Reference: MD Reference: North Reference:

Survey Calculation Method:

Well 90H

RKB = 20' @ 3586.00usft (AKITA 57) RKB = 20' @ 3586.00usft (AKITA 57)

Minimum Curvature

| Planned Survey | | | | | | | | | |
|----------------------------------|-------------------------|----------------------------|----------------------------------|-------------------------|-------------------------------------|----------------------------------|-----------------------------|----------------------------|---------------------------|
| Measured Depth (usft) | Inclination (°) | Azimuth (°) | Vertical Depth (usft) | +N/-S (usft) | +E/-W (usft) | Vertical Section (usft) | Dogleg Rate (°/100ft) | Build Rate (°/100ft) | Turn Rate (°/100ft) |
| 8,900.00 9,000.00 | 90.56 90.56 | 270.25 270.25 | 4,234.84 4,233.86 | 49.61 50.06 | -5,117.77 -5,217.77 | 5,117.94 5,217.94 | 0.00 0.00 | 0.00 0.00 | 0.00 0.00 |
| 9,100.00 9,200.00 | 90.56 90.56 | 270.25 270.25 | 4,232.89 4,231.91 | 50.50 50.95 | -5,317.76 -5,417.76 | 5,317.93 5,417.93 | 0.00 0.00 | 0.00 0.00 | 0.00 0.00 |
| 9,300.00 9,400.00 9,500.00 | 90.56 90.56 90.56 | 270.25 270.25 270.25 | 4,230.94 4,229.96 4,228.99 | 51.39 51.84 52.28 | -5,517.75 -5,617.74 -5,717.74 | 5,517.92 5,617.92 5,717.91 | 0.00 0.00 0.00 | 0.00 0.00 0.00 | 0.00 0.00 0.00 |
| 9,600.00 9,600.00 9,700.00 | 90.56 90.56 | 270.25 270.25 270.25 | 4,228.99 4,228.01 4.227.04 | 52.26 52.73 53.17 | -5,717.74 -5,817.73 -5.917.73 | 5,717.91 5,817.91 5.917.90 | 0.00 0.00 0.00 | 0.00 0.00 0.00 | 0.00 0.00 0.00 |
| 9,800.00 9,859.38 | 90.56 90.56 | 270.25 270.25 270.25 | 4,226.07 4,225.49 | 53.17 53.61 53.88 | -6,017.72 -6,077.10 | 6,017.90 6,017.90 6,077.28 | 0.00 0.00 0.00 | 0.00 0.00 0.00 | 0.00 0.00 0.00 |
| 9,909.39 | 90.56 | 270.25 | 4,225.00 | 54.10 | -6,127.10 | 6,127.28 | 0.00 | 0.00 | 0.00 |

| Design Targets | | | | | | | | | |
|--|-------------------|---------------------|------------------------|-----------------------|---------------------------|---------------------------------|----------------|------------|--------------|
| | Angle °) | Dip Dir. (°) | TVD (usft) | +N/-S (usft) | +E/-W (usft) | Northing (usft) | Easting (usft) | Latitude | Longitude |
| TAYLORCREST 90 plan hits target center Point | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 657,193.00 | 575,935.80 | 32.8066027 | -104.2207247 |
| 2. TAYLORCREST 90 - plan hits target center - Point | 0.00 | 0.00 | 3,318.73 | 18.52 | -54.85 | 657,211.52 | 575,880.95 | 32.8066537 | -104.2209031 |
| 5. TAYLORCREST 90 - plan hits target center - Point | 0.00 | 0.00 | 4,225.00 | 54.10 | -6,127.10 | 657,247.10 | 569,808.70 | 32.8067677 | -104.2406666 |
| TAYLORCREST 90 plan misses target cer Point | 0.00 nter by (| 0.00 0.02usft at | 4,225.49 9859.38usf | 53.90 t MD (4225.4 | -6,077.10 49 TVD, 53.8 | 657,246.90 88 N, -6077.10 E) | 569,858.70 | 32.8067670 | -104.2405039 |
| 3. TAYLORCREST 90 - plan hits target center - Point | 0.00 | 0.00 | 4,275.00 | 31.30 | -996.40 | 657,224.30 | 574,939.40 | 32.8066916 | -104.2239676 |

Company: Spur Energy Partners, LLC

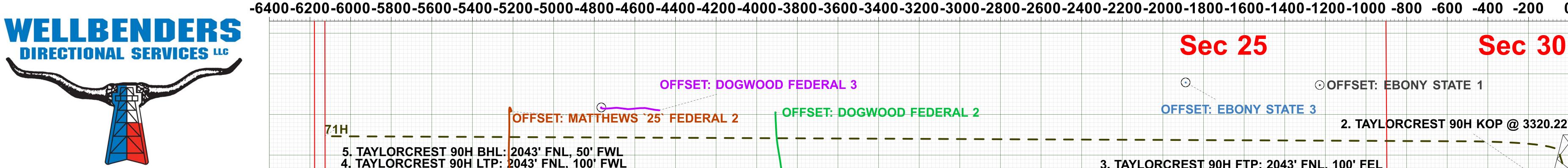
Project: Eddy County, NM (NAD 83 - NME)

Site: TAYLORCREST 25 FEDERAL

Well: 90H Wellbore: Wellbore #1

Rig: AKITA 57

Design: PERMIT 16:54, August 22 2022



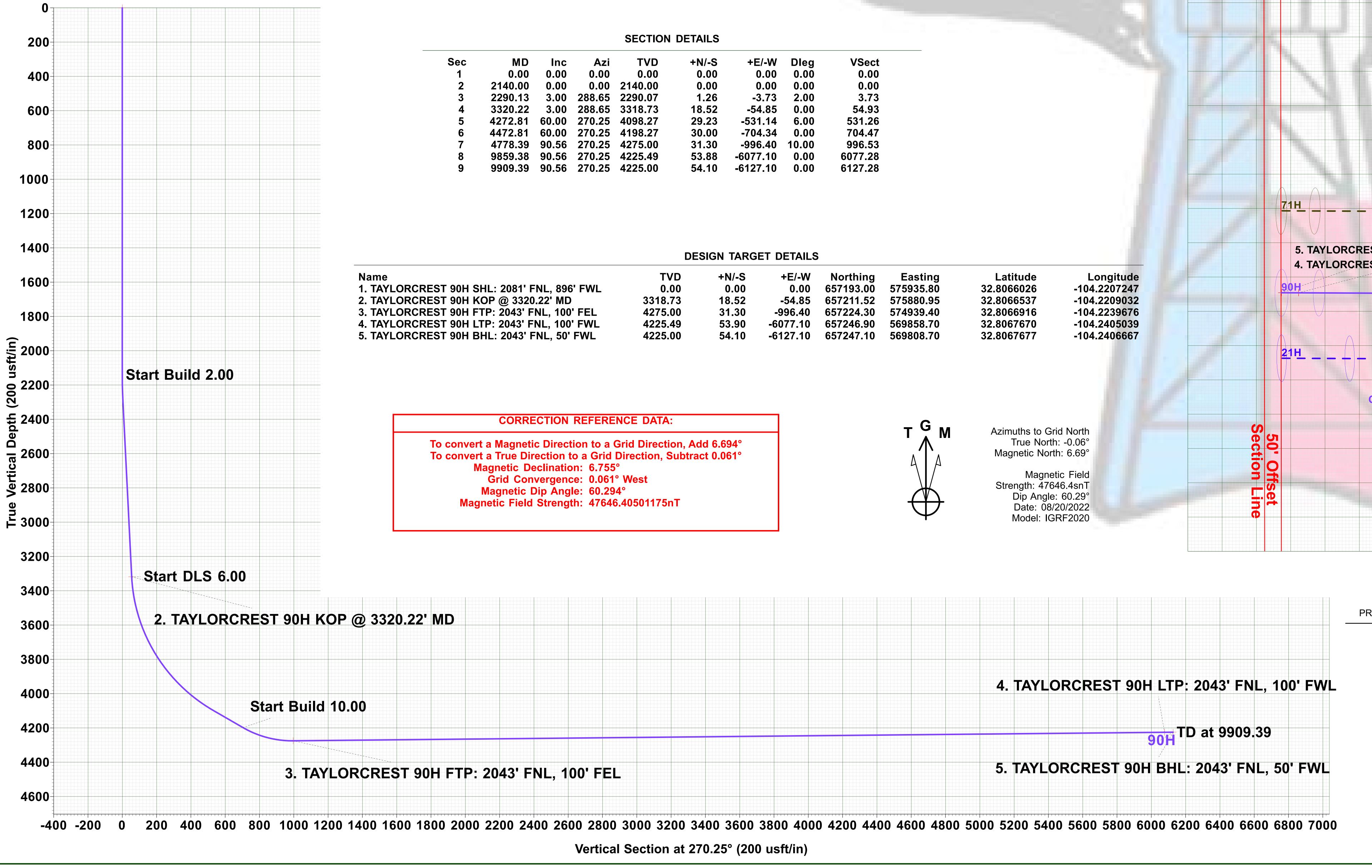


RKB = 20' @ 3586.00usft (AKITA 57)

Easting 575935.80

32.8066026

Longitude -104.2207247



Sec 25 Sec 30 **OFFSET: DOGWOOD FEDERAL 3 ⊙OFFSET:** EBONY STATE 1 OFFSET: EBONY STATE OFFSET: DOGWOOD FEDERAL 2 2. TAYLORCREST 90H KOP @ 3320.22' MD 5. TAYLORCREST 90H BHL: 2043' FNL, 50' FWL 4. TAYLORCREST 90H LTP: 2043' FNL, 100' FWL 3. TAYLORCREST 90H FTP: 2043' FNL, 100' FEL OFFSET: EBONY STATE 4 **⊙OFFSET: BIRCH FEDERAL 1 OFFSET: DOGWOOD FEDERAL 4** OFFSET: MATTHEWS '25' FEDERAL 1. TAYLORCREST 90H SHL: 2081' FNL, 896' FWL **OFFSET: DOGWOOD FEDERAL 1** West(-)/East(+) (50 usft/in) West(-)/East(+) (100 usft/in) -600 -550 -500 -450 -400 -350 -300 -250 -200 -150 -100 -50 0 -6400-6300-6200-6100-6000-5900-5800-5700-5600-5500-5400 900 800 600 S 5. TAYLORCREST 90H BHL: 2043' FNL, 50' FWL 4. TAYLORCREST 90H LTP: 2043' FNL, 100' FWL 2. TAYLORCREST 90H KOP @ 3320.22' MD -200 1. TAYLORCREST 90H SHL: 2081' FNL, 896' FWL/ OFFSET: MATTHEWS `25' FEDERAL 1 **-400** -500 ¹-700 PROJECT DETAILS: Eddy County, NM (NAD 83 - NME) Geodetic System: US State Plane 1983 Datum: North American Datum 1983 Ellipsoid: GRS 1980 Zone: New Mexico Eastern Zone System Datum: Mean Sea Level

Disclaimer:

All Plan Details, boundary

lines and offset well

location/ survey data is provided by customer and

subject to customer

approval.

West(-)/East(+) (200 usft/in)

Plan: PERMIT (90H/Wellbore #1) AKITA 57

Created By: Derek Stephens Date: 16:54, August 22 2022

Pecos District

Application for Permit to Drill

Conditions of Approval

Geology Concerns

| Potash | ⊠ None | ☐ Secretary | □ R-111-P |
|------------|-----------------|-----------------|-----------------|
| Cave/Karst | ☐ Medium | ⊠ High | ☐ Critical |
| H2S | □ None | ☐ Below 100 PPM | ⊠ Above 100 PPM |
| Other | ☐ 4 String Area | ☐ Capitan Reef | □ SWD Well |

Note: The geology of the area where the well is being drilled determines the COAs that apply, not the above table.

Additional Engineering Requirements

Surface casing must be set at: 350 feet

Intermediate casing must be set at: 900 feet

General Requirements

- 1. Changes to the approved APD casing program need prior approval.
- 2. The Bureau of Land Management (BLM) will be notified in advance to witness:
 - a. Well spudding (minimum 24 hours notice)
 - b. Setting and cementing of all casing strings (minimum 4 hours notice)
 - c. BOPE tests (minimum 4 hours notice)

Eddy County

620 East Greene Street, Carlsbad, NM 88220 (575) 361-2822

Lea County

414 West Taylor, Hobbs, NM 88240 (575) 689-5981

- 3. The initial wellhead installed on the well will remain on the well with spools used as needed.
- 4. Unless the production casing has been run and cemented or the well has been properly plugged, the drilling rig shall not be removed from over the hole without prior approval.
 - a. In the event the operator has proposed to drill multiple wells utilizing a skid/walking rig:

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- i. Operator shall secure the wellbore on the current well, after installing and testing the wellhead, by installing a blind flange of like pressure rating to the wellhead and a pressure gauge that can be monitored while drilling is performed on the other well(s).
- b. When the operator proposes to set surface casing with a Spudder Rig:
 - i. Notify the BLM when moving in and removing the Spudder Rig.
 - ii. Notify the BLM when moving in the 2nd Rig. Rig to be moved in within 90 days of notification that Spudder Rig has left the location.
 - iii. BOP/BOPE test to be conducted per Onshore Oil and Gas Order No. 2 as soon as 2nd Rig is rigged up on well.
- 5. Floor controls are required for 3M or Greater systems. These controls will be on the rig floor, unobstructed, readily accessible to the driller, and will always be operational during drilling and/or completion activities. Rig floor is defined as the area immediately around the rotary table; the area immediately above the substructure on which the draw works are located, this does not include the doghouse or stairway area.
- 6. The record of the drilling rate along with the GR/N well log run from TD to surface (horizontal well vertical portion of hole) shall be submitted to the BLM office as well as all other logs run on the borehole 30 days from completion. If available, a digital copy of the logs is to be submitted in addition to the paper copies. The Rustler top and top and bottom of Salt are to be recorded on the Completion Report.

Pressure Control

- 1. All blowout preventer (BOP) and related equipment (BOPE) shall comply with well control requirements as described in Onshore Oil and Gas Order No. 2 and API RP 53 Sec. 17.
- 2. 5M or higher system requires an HCR valve, remote kill line, and annular to match. The remote kill line is to be installed prior to testing the system and tested to stack pressure.
- 3. The appropriate BLM office shall be notified a minimum of 4 hours in advance for a representative to witness the tests.
 - a. The test shall be run on a 5000 psi chart for a 2-3M BOP/BOP, on a 10000 psi chart for a 5M BOP/BOPE, and on a 15000 psi chart for a 10M BOP/BOPE. If a linear chart is used, it shall be a one hour chart. A circular chart shall have a maximum 2 hour clock. If a twelve hour or twenty-four hour chart is used, tester shall make a notation that it is run with a two hour clock.
 - b. The results of the test shall be reported to the appropriate BLM office.
 - c. All tests are required to be recorded on a calibrated test chart. A copy of the BOP/BOPE test chart and a copy of independent service company test will be submitted to the appropriate BLM office.

- d. The BOP/BOPE test shall include a low pressure test from 250 to 300 psi. The test will be held for a minimum of 10 minutes if test is done with a test plug and 30 minutes without a test plug. This test shall be performed prior to the test at full stack pressure.
- e. BOP/BOPE must be tested by an independent service company within 500 feet of the top of the Wolfcamp formation if the time between the setting of the intermediate casing and reaching this depth exceeds 20 days. This test does not exclude the test prior to drilling out the casing shoe as per Onshore Order No. 2.
- f. In a water basin, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. The casing cut-off and BOP installation can be initiated four hours after installing the slips, which will be approximately six hours after bumping the plug. For those casing strings not using slips, the minimum wait time before cut-off is eight hours after bumping the plug. BOP/BOPE testing can begin after cut-off or once cement reaches 500 psi compressive strength (including lead when specified), whichever is greater. However, if the float does not hold, cut-off cannot be initiated until cement reaches 500 psi compressive strength (including lead when specified).
- g. In potash areas, for all casing strings utilizing slips, these are to be set as soon as the crew and rig are ready and any fallback cement remediation has been done. For all casing strings, casing cut-off and BOP installation can be initiated at twelve hours after bumping the plug. However, no tests shall commence until the cement has had a minimum of 24 hours setup time.
- h. The tests shall be done by an independent service company utilizing a test plug not a cup or J-packer. The operator also has the option of utilizing an independent tester to test without a plug (i.e. against the casing) pursuant to Onshore Order 2 with the pressure not to exceed 70% of the burst rating for the casing. Any test against the casing must meet the WOC time for water basin (8 hours) or potash (24 hours) or 500 pounds compressive strength, whichever is greater, prior to initiating the test (see casing segment as lead cement may be critical item).
- 4. If the operator has proposed using a 5,000 (5M) Annular on a 10M BOP:
 - a. Minimum working pressure of the blowout preventer (BOP) and related equipment (BOPE) required for drilling below the surface casing shoe shall be 10,000 (10M) psi.
- 5. If the operator has proposed a multi-bowl wellhead assembly in the APD. The following requirements must be met:
 - a. Wellhead shall be installed by manufacturer's representatives, submit documentation with subsequent sundry.
 - b. If the welding is performed by a third party, the manufacturer's representative shall monitor the temperature to verify that it does not exceed the maximum temperature of the seal.

- c. Manufacturer representative shall install the test plug for the initial BOP test.
- d. Whenever any seal subject to test pressure is broken, all the tests in OOGO2.III.A.2.i must be followed.
- e. If the cement does not circulate and one inch operations would have been possible with a standard wellhead, the well head shall be cut off, cementing operations performed and another wellhead installed.
- 6. If a variance is approved for break testing the BOPE, the following requirements apply:
 - a. BOPE break testing is only approved for a BOP rated at 5M or less.
 - b. A full BOP test shall be performed every 21 days (at a minimum).
 - c. A full BOP test is required prior to drilling the first intermediate hole section (if applicable). If any subsequent intermediate hole interval is deeper than the first, a full BOP test shall be required.
 - d. A full BOP test is required prior to drilling the first production hole section. If any subsequent production hole interval is deeper than the first, a full BOP test shall be required.
 - e. While in transfer, the BOP shall be secured by the hydraulic carrier or cradle.
 - f. Pressure tests shall be performed on any BOPE components that have been disconnected. A low pressure (250-300 psi) and a high pressure (BOP max pressure rating) test are required.
 - g. If a testing plug is used, pressure shall be maintained for at least 10 minutes. If there is any bleed off in pressure, the test shall be considered to have failed.
 - h. If no testing plug is used, pressure shall be maintained for at least 30 minutes. If there is a decline in pressure of more than 10 percent, the test shall be considered to have failed.
 - i. The appropriate Bureau of Land Management (BLM) office shall be notified a minimum of 4 hours before testing occurs.
- 7. If a variance is approved for a flexible hose to be installed from the BOP to the choke manifold, the following requirements apply:
 - a. The flex line must meet the requirements of API 16C.
 - b. Check condition of flexible line from BOP to choke manifold (replace if exterior is damaged or if line fails test).
 - c. Line is to be as straight as possible with no hard bends and is to be anchored according to Manufacturer's requirements.
 - d. The flexible hose can be exchanged with a hose of equal size and equal or greater pressure rating.
 - e. Anchor requirements, specification sheet and hydrostatic pressure test certification matching the hose in service, to be onsite for review. These documents shall be posted in the company man's trailer and on the rig floor.

Casing and Cement

- 1. Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.).
- 2. On any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. The formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- 3. Provide compressive strengths (including hours to reach required 500 pounds compressive strength) prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.
- 4. The surface casing shall be set at a minimum of 25 feet into the Rustler Anhydrite and 80 feet above the salt and cemented to the surface.
 - a. If cement does not circulate to the surface, the appropriate BLM office shall be notified and a temperature survey utilizing an electronic type temperature survey with surface log readout will be used or a cement bond log shall be run to verify the top of the cement. Temperature survey will be run a minimum of six hours after pumping cement and ideally between 8-10 hours after completing the cement job.
 - b. Wait on cement (WOC) time for a primary cement job will be a minimum of 8 hours (or 24 hours in the Potash Area) or 500 pounds compressive strength, whichever is greater. (This is to include the lead cement)
 - c. Wait on cement (WOC) time for a remedial job will be a minimum of 4 hours after bringing cement to surface or 500 pounds compressive strength, whichever is greater.
 - d. If cement falls back, remedial cementing will be done prior to drilling out that string.
- 5. Intermediate casing must be kept fluid filled to meet BLM minimum collapse requirement.
- 6. Intermediate casing must be cemented to surface. For medium/high cave/karst, potash, and Capitan Reef, wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.
- 7. The production cement should tie-back at least 200 feet (500 feet in Secretary Potash, surface in R-111-P potash) into previous casing string. Operator shall provide method of verification.

- 8. Production liner cement should tie-back at least 100 feet into previous casing string. Operator shall provide verification of cement top.
- 9. The casing integrity test can be done (prior to the cement setting up) immediately after bumping the plug.
- 10. No pea gravel permitted for remedial cement or fall back remedial cement without prior authorization from a BLM petroleum engineer.
- 11. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.

12. DV tools:

- a. First stage to DV tool (The DV tool may be cancelled if cement circulates to surface on the first stage):
 - i. Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
- b. Second stage above DV tool:
 - i. For intermediate casing, cement to surface.
 - ii. For production casing, cement should tie-back at least 200 feet (500 feet in Secretary Potash, surface in R-111-P potash) into previous casing string. Operator shall provide method of verification.
 - iii. If cement does not circulate, contact the appropriate BLM office.

13. Wait on cement (WOC) for Potash Areas:

- a. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.
- b. After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met:
 - i. Cement reaches a minimum compressive strength of 500 psi for all cement blends
 - ii. Until cement has been in place at least 24 hours.
- c. WOC time will be recorded in the driller's log.
- d. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.

14. Wait on cement (WOC) for Water Basin:

a. After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met:

- i. Cement reaches a minimum compressive strength of 500 psi at the shoe
- ii. Until cement has been in place at least 8 hours.
- b. WOC time will be recorded in the driller's log.
- 15. Wait on cement (WOC) for Medium and High Cave/Karst Areas:
 - a. Wait on cement (WOC) time for a primary cement job is to include the lead cement slurry.
- 16. If cement does not circulate to surface on the first two casing strings, the cement on the 3rd casing string must come to surface.

Drilling Mud

1. Mud system monitoring equipment, with derrick floor indicators and visual and audio alarms, shall be operating before drilling into the Wolfcamp formation, and shall be used until production casing is run and cemented.

Waste Material and Fluids

- 1. All waste (i.e. drilling fluids, trash, salts, chemicals, sewage, gray water, etc.) created as a result of drilling operations and completion operations shall be safely contained and disposed of properly at a waste disposal facility. No waste material or fluid shall be disposed of on the well location or surrounding area.
- 2. Porto-johns and trash containers will be on-location during fracturing operations or any other crew-intensive operations.

Special Requirements

- 1. Communitization Agreement
 - a. The operator will submit a Communitization Agreement to the Carlsbad Field Office (620 E Greene St. Carlsbad, New Mexico 88220), at least 90 days before the anticipated date of first production from a well subject to a spacing order issued by the New Mexico Oil Conservation Division.
 - b. The Communitization Agreement will include the signatures of all working interest owners in all Federal and Indian leases subject to the Communitization Agreement (i.e., operating rights owners and lessees of record), or certification that the operator has obtained the written signatures of all such owners and will make those signatures available to the BLM immediately upon request.
 - i. If the operator does not comply with this condition of approval, the BLM may take enforcement actions that include, but are not limited to, those specified in 43 CFR 3163.1.
 - c. In addition, the well sign shall include the surface and bottom hole lease numbers.
 - i. When the Communitization Agreement number is known, it shall also be on the sign.

2. Unit Wells

- a. The well sign for a unit well shall include the unit number in addition to the surface and bottom hole lease numbers. This also applies to participating area numbers.
 - i. If a participating area has not been established, the operator can use the general unit designation, but will replace the unit number with the participating area number when the sign is replaced.

b. Commercial Well Determination

i. A commercial well determination shall be submitted after production has been established for at least six months (this is not necessary for secondary recovery unit wells).

3. Hydrogen Sulfide (H2S)

- a. If H2S is encountered, provide measured values and formations to the BLM.
- b. An H2S area must meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items.
- c. An H2S Drilling Plan shall be activated 500 feet prior to drilling into the any formation designated as having H2S.
- d. Hydrogen Sulfide monitors shall be installed prior to drilling out the surface shoe. If H2S is detected in concentrations greater than 100 ppm, the Hydrogen Sulfide area shall meet Onshore Order 6 requirements, which includes equipment and personnel/public protection items.

4. Capitan Reef

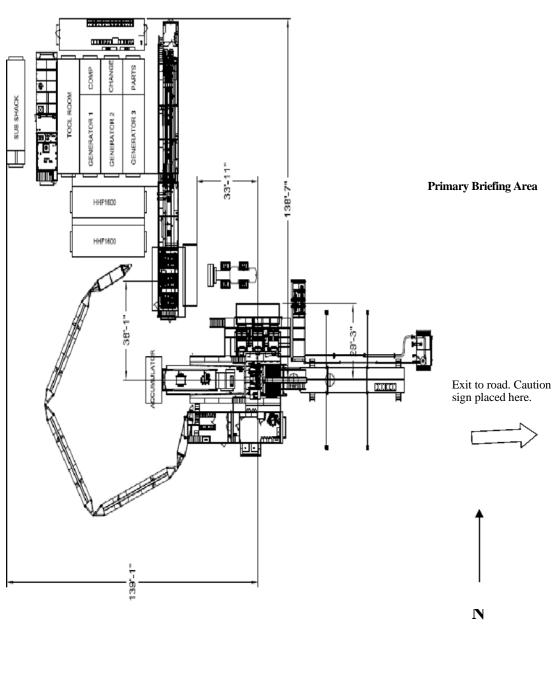
- a. If lost circulation (50% or greater) occurs below the Base of the Salt, the operator shall do the following (Use this for 3 string wells in the Capitan Reef, if 4 string well ensure fresh water based mud used across the Capitan interval):
 - i. Switch to fresh water mud to protect the Capitan Reef and use fresh water mud until setting the intermediate casing. The appropriate BLM office is to be notified for a PET to witness the switch to fresh water.
 - ii. Daily drilling reports from the Base of the Salt to the setting of the intermediate casing are to be submitted to the BLM CFO engineering staff via e-mail by 0800 hours each morning. Any lost circulation encountered is to be recorded on these drilling reports.
 - iii. The daily drilling report should show mud volume per shift/tour.
 - iv. Failure to submit these reports will result in an Incidence of Non-Compliance being issued for failure to comply with the Conditions of Approval.
 - v. If not already planned, the operator shall run a caliper survey for the intermediate well bore and submit to the appropriate BLM office.

- 5. Salt Water Disposal Wells
 - a. The operator shall supply the BLM with a copy of a mudlog over the permitted disposal interval and estimated in situ water salinity based on open-hole logs.
 - b. If hydrocarbons are encountered while drilling, the operator shall notify the BLM.
 - c. The operator shall provide to the BLM a summary of formation depth picks based on mudlog and geophysical logs along with a copy of the mudlog and open-hole logs from total depth to top of Devonian.
 - d. An NOI sundry with the completion procedure for this well shall be submitted and approved prior to commencing completion work. The procedure will be reviewed to verify that the completion proposal will allow the operator to:
 - i. Properly evaluate the injection zone utilizing open-hole logs, swab testing and/or any other method to confirm that hydrocarbons cannot be produced in paying quantities. This evaluation shall be reviewed by the BLM prior to injection commencing.
 - ii. Restrict the injection fluid to the approved formation.
 - iii. If a step rate test will be run, an NOI sundry shall be submitted to the BLM for approval.
 - e. If off-lease water will be disposed in this well, the operator shall provide proof of right-of-way approval.



Hydrogen Sulfide (H2S) Operations Plan For Spur Energy Partners New Mexico Operations

Secondary Briefing Area





Spur Energy Partners New Mexico Operations Hydrogen Sulfide Operation Plan

A. Introduction:

The Safety of all personnel at Spur Energy Partners Facilities is of utmost importance to the company, and therefor management and employees must take responsibility for their safety and for the safety of all employees and others at a facility. If you have any concerns about the safe operations of the facility, contract personnel, or vendors, please contact the Company's Safety Contact, Superintendent, or Production Foreman immediately.

The objective of this contingency plan is to provide an organized plan of action for alerting, responding to and protecting employees, other workers and the public from H2S exposure in the event of a release of a potentially hazardous volume of H2S to the atmosphere. This plan should be activated immediately if any such release occurs. The Superintendent is responsible for initiating and carrying out the plan.

B. Scope:

Prevent the uncontrolled release of H₂S into the atmosphere. Provide proper procedures and equipment to alert and respond to emergencies.

Provide immediate and adequate medical attention should an injury occur.

To provide Company employees working at actual or potential Hydrogen Sulfide (H2S) facilities with a safe procedure to comply with applicable Federal, State and Company requirements.

This document is intended to provide general policy, procedures and expectations surrounding elevated levels of H2S. The intent is to promote sound and safe operations, while seeking effective communication surrounding operational considerations working around H2S.

This procedure applies to all Company employees and contractors working at facilities that have the potential to release 100 ppm or higher concentrations of H2S.

The plan establishes guidelines for all personnel whose work activity may involve exposure to Hydrogen Sulfide Gas (H₂S).

C. Hydrogen Sulfide Gas (H2S) Characteristics:

- H2S is a toxic, poisonous gas that could cause death or injury. And it is also flammable.
- H2S is an irritant and extremely toxic gas that is several times deadlier than carbon monoxide (CO).
- 3. H2S is heavier than air with a specific gravity of 1.1895 @ 600 F. so it will tend to lie in lower areas. Wind movement or air currents can readily disperse H2S since wind currents can easily overcome the heavier weight. On calm days, with no wind, the H2S will tend to accumulate in dangerous concentrations; however, if the H2S is warmer than the surrounding air it may rise.
- H2S is colorless.
- 5. In small concentrations, H2S has the characteristic odor of rotten eggs. It may be detected by smell at a concentration in air of about 2 ppm but may NOT be detected

at high concentrations. DO NOT DEPEND ON THE SENSE OF SMELL TO DETECT H2S! H2S will paralyze the olfactory nerve causing a loss of the sense of smell within 2 – 15 minutes of an exposure in concentrations as low as 100-150 ppm.

6. H2S burns with a blue flame and has an auto ignition temperature of 5000 F. H2S forms an explosive mixture in the range of 4.3% to 45% by volume with air. H2S, when ignited, produces Sulfur Dioxide (SO2). SO2 is another toxic gas but less toxic than H2S.

Physiological Effects

- 1,000-2,000+ ppm: Loss of consciousness and possible death.
- 100-1,000 ppm: Serious respiratory, central nervous, and cardiovascular system effects.
- 150-200 ppm: Olfactory fatigue (sense of smell is significantly impaired).
- 100 ppm: Immediately Dangerous to Life and Health (IDLH concentration).
- 5-30 ppm: Moderate irritation of the eyes.
- 5-10 ppm: Relatively minor metabolic changes in exercising individuals during short-term exposures.
- Less than 5 ppm: Metabolic changes observed in exercising individuals, but not clinically significant.
- 5 ppm: Increase in anxiety symptoms (single exposure).
- 5 ppm: Start of the dose-response curve (short-term exposure).
- 0.032-0.02 ppm: Olfactory threshold (begin to smell).

D. H₂STraining

All personnel, whether regularly assigned, contracted, or employed on an unscheduled basis, will receive training from a qualified instructor in the following areas prior to commencing work at an effected facility:

- 1. The hazards and characteristics of hydrogen sulfide (H2S)
- 2. The proper use and maintenance of personal protective equipment and life support systems.
- 3. The proper use of H₂S detectors, alarms, warning systems, briefing areas, evacuation procedures, and prevailing winds.
- 4. The proper techniques for first aid and rescue procedures.
- 5. The procedures for operating process equipment.

In addition, supervisory personnel will be trained in the following areas:

- 1. Corrective action and shutdown procedures when a release or leak occurs.
- 2. Notification process

Annual drills will be conducted to utilize the procedures and make improvements as needed. It will also serve as refresher training on the process.

Note: All H2S safety equipment and systems will be installed, tested, and operational when operation commences.

E. Protective equipment controls:

Any facility that has the potential to emit H2S at 100 ppm or higher will be required to install and utilize the below controls:

- 1. Where applicable, area air monitors will be installed and function tested and calibrated no less than monthly and set on a quarterly basis PM schedule.
- 2. Facility operators will use self contained breathing apparatuses (SCBA's) to perform routine operations in areas where H2S may be present.
- 3. Trigger of 100 PPM or more must be communicated and work proceeding the trigger must use the buddy system.
- 4. Visible windsocks must be installed at key locations surrounding the facility.
- 5. H2S warning signs must be placed at the entrance to the facility as well as other key locations.
- 6. Personal H2S Monitor are required to be worn by all personnel on locations.
- 7. Stairs and ladders leading to the top of a tank or vessel containing 300 ppm or greater shall be chained or marked to restrict entry.

F. Emergency Procedures

1. Spill or Release of H₂S gas

If a spill or leak releases H₂S the following action must be initiated and completed:

- a. Internally Employee contacts supervisor and HSE Department and performs "d" below.
- b. Externally Someone identifies a possible H₂S emergency and reports it to Company Management, via the listed phone number on posted facility signs.
- c. The Company dispatches an employee to investigate possible H₂S emergency and will secure situation or initiate emergency call for backup.
- d. If the Radius of Exposure has been breached begin the following:
 - Establish safe command center.
 - Call for additional personnel and delegate the following:
 - i. Notifying public safety agencies (Sheriff, Fire Department, Department of Public Safety, Hwy. Department).
 - ii. Safeguarding the facility and effected area.
 - iii. Blocking roads as needed.
 - iv. Notifying/evacuating public.
 - v. Notifying regulatory agencies.
 - vi. Gathering additional information about release ie., location, flowrate, quantity, etc.
 - vii. Stopping release if safe to do so (use 2 trained persons)
 - viii. Notifying company management.
 - ix. Cleanup/repair facilities.

e. Facility Standard Operating Procedure

- Evacuate the area, travel crosswind then proceed upwind.
- Gather at muster point. Ensure Primary Muster point is upwind
- Notify managers & appropriate EMS if required.
- Safely shut down (ESD) facility if the facility hasn't already shut in.
- Pick up SCBA (should be a 30 minute 1 hour pack, located at Muster point.)
- Use buddy system for man down scenario with rescuers assigned.
 - 1 person to mask up to operate facility controls as needed.
 - 1 person for rescue if needed.
 - 1 person for calling EMS and company management
- Investigate area and isolate release of gas if safe to do and ensure closure using 4 gas monitor.
- If venting gas can't be isolated, return to muster point, and re-evaluate path forward.
- Give detailed description where/how gas is being released.
- After isolation verify that area monitors return to 0 and are not in alarm.
- Resume normal operations, once managers agree the ROOT CAUSE has been addressed and corrected.

G. Contacting Authorities

Company personnel must liaison with local and state agencies to ensure a proper response to a major release. Additionally, the NM Emergency Response Commission must be notified of the release as soon as possible but no later than 4 hours. Agencies will ask for information such as type and volume of release, wind direction, location of release, etc. Be prepared with all information available. The following call list of essential and potential responders has been prepared for use during a release. Spur Energy Partners response must be in coordination with the State of New Mexico's 'Hazardous Materials Emergency Response Plan' (HMER).

H. Call List

| Spur Energy Partners Emergency Contact List | | | | | | | | | | | |
|---|---------|----------|--------------|------------------------------|----------------------------|--|--|--|--|--|--|
| Person | Loc | ation | Office Phon | ne | Cell Phone | | | | | | |
| Drilling and Con | npletio | ns Depa | rtment | | | | | | | | |
| Drilling Manager - Chris Hollis | Houst | on | 832-930-8629 | 7 | 13-380-7754 | | | | | | |
| Completions Manager - Theresa Voss | Houst | on | 832-930-8614 | 83 | 32-849-8635 | | | | | | |
| VP of Operations - Seth Ireland | Houst | on | 832-930-8527 | ' 94 | 10-704-6375 | | | | | | |
| Senior VP of Operations - John Nabors | Houst | on | 832-930-8526 | 3 28 | 31-904-8811 | | | | | | |
| Executive VP of Operations - Todd Mucha | Houst | on | 832-930-8515 | 5 28 | 31-795-2286 | | | | | | |
| HES/Environmental a | nd Re | gulatory | Department | | | | | | | | |
| EHS Manager - Braidy Moulder | Artesia | 3 | 575-616-5400 |) 7′ | 13-264-2517 | | | | | | |
| Superintendent - Jerry Mathews | Artesia | Э | 575-616-5400 |) 57 | 75-748-5234 | | | | | | |
| Asst. Superintendent - Kenny Kidd | Artesia | 3 | 575-616-5400 |) 57 | 75-703-5851 | | | | | | |
| Regulatory Director - Sarah Chapman | Houst | on | 832-930-8613 | 3 281-642-5503 | | | | | | | |
| Regulate | ory Ag | encies | | | | | | | | | |
| Bureau of Land Management | | Carlsba | d | 575- | 886-6544 | | | | | | |
| Bureau of Land Management | | Hobbs | | 575- | 393-3612 | | | | | | |
| Bureau of Land Management | | Roswell | | 575- | 622-5335 | | | | | | |
| Bureau of Land Management | | Santa Fe | | 505- | 954-2000 | | | | | | |
| DOT Judicial Pipelines - Incident Reporting Public Regulation Commission | NM | Santa F | e | 505-827-3549 505-490-2375 | | | | | | | |
| EPA Hotline | | Dallas | | 214-665-6444 | | | | | | | |
| Federal OSHA, Area Office | | Lubbock | < | 806-472-7681 | | | | | | | |
| National Response Center | | Washin | gton, D.C. | 800- | 424-8803 | | | | | | |
| National Infrastructure Coordinator Center | | Washin | gton, D.C. | 202- | 282-2901 | | | | | | |
| New Mexico Air Quality Bureau | | Santa F | e | 505- | 827-1494 | | | | | | |
| New Mexico Oil Conservation Division | | Artesia | | | -748-1283 370-7545After | | | | | | |
| New Mexico Oil Conservation Division | | Hobbs | | 575- | 393-6161 | | | | | | |
| New Mexico Oil Conservation Division | Santa F | e | 505- | 505-476-3770 | | | | | | | |
| New Mexico OCD Environmental Bureau | | Santa F | е | 505-827-7152 505-476-3470 | | | | | | | |
| New Mexico Environmental Department | | Hobbs | | 575-827-9329 | | | | | | | |
| NM State Emergency Response Center | | Santa F | e | 505-476-9600 | | | | | | | |

| Medica | al Facilities | | | | | | | | | |
|-------------------------------------|----------------|--------------|--|--|--|--|--|--|--|--|
| Artesia General Hospital | Artesia | 575-748-3333 | | | | | | | | |
| Covenant Medical Center | Lubbock | 806-725-1011 | | | | | | | | |
| Covenant Medical Center Lakeside | Lubbock | 806-725-6000 | | | | | | | | |
| Guadalupe County Hospital | Carlsbad | 575-887-6633 | | | | | | | | |
| Lea Regional Hospital | Hobbs | 575-492-5000 | | | | | | | | |
| Medical Center Hospital | Odessa | 432-640-4000 | | | | | | | | |
| Midland Memorial Hospital | Midland | 432-685-1111 | | | | | | | | |
| Nor-Lea General Hospital | Lovington | 575-396-6611 | | | | | | | | |
| Odessa Regional Hospital | Odessa | 432-334-8200 | | | | | | | | |
| Union County General Hospital | Clayton | 575-374-2585 | | | | | | | | |
| University Medical Center | Lubbock | 806-725-8200 | | | | | | | | |
| Law Enforcement - Sheriff | | | | | | | | | | |
| Ector County Sheriff's Department | Odessa | 432-335-3050 | | | | | | | | |
| Ector County Sheriff's Department | Artesia | 575-746-2704 | | | | | | | | |
| | | | | | | | | | | |
| Ector County Sheriff's Department | Carlsbad | 575-887-7551 | | | | | | | | |
| Lea County Sherrif's Department | Eunice | 575-384-2020 | | | | | | | | |
| Lea County Sherrif's Department | Hobbs | 575-393-2515 | | | | | | | | |
| Lea County Sherrif's Department | Lovington | 575-396-3611 | | | | | | | | |
| Lubbock County Sheriff's Department | Abernathy | 806-296-2724 | | | | | | | | |
| Midland County Sheriff's Department | Midland | 432-688-1277 | | | | | | | | |
| Union County Sheriff's Department | Clayton | 575-374-2583 | | | | | | | | |
| Law Enforce | ement - Police | | | | | | | | | |
| Abernathy Police Department | Abernathy | 806-298-2545 | | | | | | | | |
| Artesia City Police | Artesia | 575-746-2704 | | | | | | | | |
| Carlsbad City Police | Carlsbad | 575-885-2111 | | | | | | | | |
| Clayton City Police | Clayton | 575-374-2504 | | | | | | | | |
| Eunice City Police | Eunice | 575-394-2112 | | | | | | | | |
| Hobbs City Police | Hobbs | 575-397-9265 | | | | | | | | |
| | | 575-393-2677 | | | | | | | | |
| Jal City Police | Jal | 575-395-2501 | | | | | | | | |
| Lovington City Police | Lovington | 575-396-2811 | | | | | | | | |

| Midland City Police | Midland | 432-685-7113 | | | | | | | | | |
|-------------------------------|----------------------|--------------|--|--|--|--|--|--|--|--|--|
| Odessa City Police | Odessa | 432-335-3378 | | | | | | | | | |
| Li | aw Enforcement - FBI | | | | | | | | | | |
| FBI | Albuquerque | 505-224-2000 | | | | | | | | | |
| FBI | Midland | 432-570-0255 | | | | | | | | | |
| Law Enforcement - DPS (911) | | | | | | | | | | | |
| NM State Police | Artesia | 575-746-2704 | | | | | | | | | |
| NM State Police | Carlsbad | 575-885-3137 | | | | | | | | | |
| NM State Police | Eunice | 575-392-5588 | | | | | | | | | |
| NM State Police | Hobbs | 575-392-5588 | | | | | | | | | |
| NM State Police | Clayton | 575-374-2473 | | | | | | | | | |
| Firefighting and Rescue (911) | | | | | | | | | | | |
| Abernathy | Abernathy | 806-298-2022 | | | | | | | | | |
| Amistad/Rosebud | Amistad/Rosebud | 575-633-9113 | | | | | | | | | |
| Artesia | Artesia | 575-746-5751 | | | | | | | | | |
| Carlsbad | Carlsbad | 575-885-3125 | | | | | | | | | |
| Clayton | Clayton | 575-374-2435 | | | | | | | | | |
| Eunice | Eunice | 575-394-2111 | | | | | | | | | |
| Hobbs | Hobbs | 575-397-9308 | | | | | | | | | |
| Jal | Jal | 575-395-2221 | | | | | | | | | |
| Lovington | Lovington | 575-396-2359 | | | | | | | | | |
| Maljamar | Maljamar | 575-676-4100 | | | | | | | | | |
| Midland | Midland | 432-685-7346 | | | | | | | | | |
| Nara Visa | Nara Visa | 575-461-3300 | | | | | | | | | |
| Odessa | Odessa | 432-335-4659 | | | | | | | | | |
| Tucumcari | Tucumcari | 911 | | | | | | | | | |
| West Odessa | Odessa | 432-381-3033 | | | | | | | | | |

| Ambulance (911) | | | | | | | | | | |
|-------------------------------|-----------------|--------------|--|--|--|--|--|--|--|--|
| Abernathy Ambulance | Abernathy | 806-298-2241 | | | | | | | | |
| Amistad/Rosebud | Amistad/Rosebud | 575-633-9113 | | | | | | | | |
| Artesia Ambulance | Artesia | 575-746-2701 | | | | | | | | |
| Carlsbad Ambulance | Carlsbad | 575-885-2111 | | | | | | | | |
| Clayton Ambulance | Clayton | 575-374-2501 | | | | | | | | |
| Eunice Ambulance | Eunice | 575-394-3258 | | | | | | | | |
| Hobbs Ambulance | Hobbs | 575-397-9308 | | | | | | | | |
| Jal Ambulance | Jal | 575-395-3501 | | | | | | | | |
| Lovington Ambulance | Lovington | 575-396-2811 | | | | | | | | |
| Midland Ambulance | Midland | 432-685-7499 | | | | | | | | |
| Nara Visa Ambulance | Nara Visa | 575-461-3300 | | | | | | | | |
| Odessa Ambulance | Odessa | 432-335-3378 | | | | | | | | |
| Tucumcari Ambulance | Tucumcari | 911 | | | | | | | | |
| Medical Air Ambulance Service | | | | | | | | | | |
| AEROCARE - Methodist Hospital | Lubbock | 800-627-2376 | | | | | | | | |
| Southwest MediVac | Hobbs | 800-242-6199 | | | | | | | | |
| Odessa Care Star | Odessa | 888-624-3571 | | | | | | | | |

I. List of Facilities with the potential for 500ppm or higher H2S exposure.

ATTACHMENT 1: SPUR FACILITIES WITH ROE REVIEW

ALASKA 29 FEE TANK BATTERY
ARABIAN 6 FEE TANK BATTERY
ARCO 26 A STATE OIL BATTERY
ARCO B FEDERAL COM NO. 001
ARKANSAS STATE 23 TANK BATTERY

AVALON FEDERAL #001

B&B/ROSS RANCH OIL TANK BATTERY BC FEDERAL 10 (9-13) TNK BTY BC FEDERAL 1-8 &14 TNK BTY BC FEDERAL 42 TNK BTY

BEE FED OIL BATTERY

BEECH 25 FEDERAL #9H BATTERY

BEECH FEDERAL 1

BEECH FEDERAL 2 BATTERY
BERRY A FEDERAL #005 SWB
BERRY A FEDERAL PADD BATTERY

BIG BOY STATE TB

BLUETAIL 8 FEDERAL 2 TANK BATTERY BONE YARD 11 FEE TANK BATTERY

BOOT HILL 25 1H SWB

BOSE IKARD 4 ST COM 18H BATTERY

BRANTLEY FEDERAL #001 BR-549 STATE BATTERY BRADLEY 8 FEE #3H-BATTERY BRADLEY 8 FEE BATTERY BRAGG 10 FEE 1 BATTERY

BRIGHAM H 2

BRIGHAM H FED (NORTH) BATTERY

BURCH KEELY 13C TK BTY
BURCH KEELY 18A TK BATT
BURCH KEELY 19A OIL BATT
BURCH KEELY 23A TK BATT

BURCH KEELY EAST 18B TANK BAT BURCH KEELY SEC 13A NORTH BTTY BURCH KEELY SEC 13B SOUTH BTTY

BURCH KEELY UNIT CTB BTTY
BURCH KEELY UNIT E BATTERY

BURKETT 16 STATE

CADDO FEDERAL BATTERY CADILLAC ST 4 BATTERY CALIFORNIA 29 FEE 1

CARMEN 3 FEDERAL BATTERY
CARRINGTON 12 ST 3,4,7 BATTERY

CHASER 8 STATE 2 TANK BATTERY
CHEYENNE FEDERAL TNK BTY
CLYDESDALE 1 FEE #1H BAT
CLYDESDALE 1 FEE 6H - BATTERY
COAL TRAIN FEDERAL COM #1

COFFIN STATE #1

COLLIER 22 STATE COM #43H
COLLIER STATE OIL BATTERY
CONOCO & STATE 4 TP

CONOCO 8 STATE 4 TB

CONTINENTAL A STATE TNK BTY
CONTINENTAL B YESO TANK BTY
CONTINENTAL STATE 15A TNK BTY

CRYPT 30 STATE #1H

DAGGER DRAW FED/FOSTER FED TANK BATTERY

DARNER 9 STATE 1 TANK BATTERY

DARNER 9 STATE 2

DARTER 9 STATE 8 TANK BATTERY

DARNER 9 STATE CTB

DEXTER FEDERAL PAD TNK BTY

DODD 10A OIL BATTERY
DODD 10B TK BTTY
DODD FED #14C TK BATT
DODD FED 11A BATTERY

DODD FED UNIT 980H BATTERY

DODD FEDERAL 14A-TB

DODD FEDERAL UNIT 15A BTTY
DODD FEDERAL UNIT NORTH BTTY
DODD FEDERAL UNIT SOUTH BTTY
DOGWOOD FEDERAL TNK BTY

DORAMI 33 FEDERAL COM 2H.4H.9H TANK BATTERY

EBONY STATE TB

EDWARD STATE TNK BTY

ELECTRA FEDERAL 33 (NORTH) BATTERY
ELECTRA FEDERAL 5 (SWEET) TNK BTY
ELECTRA FEDERAL SOUR TNK BTY
EMPIRE SOUTH DEEP UNIT 21
FALABELLA 31 FEE #1H TK BATT
FALABELLA 31 FEE 8H TK BTY
FAT TIRE 12 COM FEDERAL CTB
FEDERAL BA COM NO. 001

FEDERAL BB NO. 001

FLAT HEAD FED COM 6H TANK BATTERY FLAT HEAD FED COM 27H TANK BATTERY

ATTACHMENT 1: SPUR FACILITIES WITH ROE REVIEW

FIR FEDERAL TNK BTY
FIRECRACKER STATE TB

FLEMMING STATE OIL BATTERY

FOLK FEDERAL B TNK BTY
FOLK FEDERAL TNK BATTERY
FORAN STATE OIL BATTERY
GC FEDERAL 11 TNK BTY
GC FEDERAL 27 TNK BTY
GC FEDERAL TNK BTY

GILLESPIE STATE OIL BATTERY
GISSLER FEDERAL 13H TANK BATT

GJ WEST COOP SOUTH TB
GJ WEST COOP UNIT 092 BTY
GJ WEST COOP UNIT 191 BTY
GJ WEST COOP UNIT 210 BTY
GJ WEST COOP UNIT CENTRAL
GJ WEST COOP UNIT N TNK BTY

GOLD STAR TNK BTY

GOODMAN 22 TANK BATTERY

GRAVE DIGGER FEDERAL COM TANK BATTERY GRAVE DIGGER ST COM #3H TANK BATTERY

GRAVE DIGGER STATE COM #8H SWB

HALBERD 27 ST 3H BATTERY HANOVER STATE #3 (YESO) HARPER STATE TNK BTY HARVARD FEDERAL TNK BTY

HATFIELD B TB

HEARSE 36 ST COM TANK BATTERY HOBGOBLIN 7 FED COM 4H TK BAT

HOLDER CB 11 TNK BTY

HOLDER CB FEDERAL 6&7 TNK BTY

HOLIDAY

HOUMA STATE TNK BTY

HT 18 FED 01.05.04 TANK BATTERY

HT 18 FEDERAL 8

HUBER 10,11,12 FEDERAL OIL TANK BATTERY

HUBER 3 FEDERAL OIL TANK BATTERY
HUBER 5 FEDERAL OIL TANK BATTERY

HYDRUS 10 FED 03.07.08.11 TANK BATTERY

HYDRUS 10 FED 04.05 TANK BATTERY

HYDRUS 10 FED 06.09.10.12 TANK BATTERY

IMPERIAL STATE TNK BTY

IVAR THE BONELESS FED 11H - BATTERY

JC FEDERAL 13 TNK BTY

JC FEDERAL 2 (SOUR) TNK BTY

JC FEDERAL 27 TNK BTY
JENKINS B FEDERAL TNK BTY
JG STATE 16 1 TANK BATTERY

JG STATE 16 7 TANK BATTERY

JON BOB 1

JUNIPER STATE TNK BTY KIOWA OIL BATTERY

KOOL AID STATE

LAKEWOOD NORTH TANK BATTERY
LAKEWOOD SOUTH TANK BATTERY
LARA MICHELLE STATE OIL BTTY

LEAKER CC STATE TB LEE 3 FEE 6H - TK BATT LIVE OAK TANK BATTERY

MALCO 23 FEDERAL COM #13H

MAPLE STATE

MARACAS 22 STATE TANK BATTERY

MARY FEDERAL OIL BATTERY

MAYARO 22 STATE TANK BATTERY
MC FEDERAL 14 TANK BATTERY

MC FEDERAL 6 DEVONIAN

MC FEDERAL PADDOCK TNK BTY

MC SOUTHEAST BATTERY
MC STATE OIL BATTERY
MCCOY STATE TB

110001 317112 13

MCINTYRE A EAST TANK BATTERY

MCINTYRE B 10 MCINTYRE B 4

MCINTYRE B TNK BTY
MCINTYRE DK 15 TNK BTY

MCINTYRE DK FEDERAL 28H SWB MEADOWHAWK 5 FEDERAL 3 MELROSE FEDERAL TNK BTY

MERAK 7 FEDERAL 8 TANK BATTERY

MESILLA STATE 3 & 5 TNK BTY

MESILLA STATE TNK BTY

MESQUITE STATE TANK BATTERY

MIMOSA STATE TNK BTY

MIRANDA FEDERAL B TNK BTY

MIRANDA FEDERAL TB

MORRIS E & F TANK BATTERY

ATTACHMENT 1: SPUR FACILITIES WITH ROE REVIEW

MOE FEDERAL OIL BATTERY

MOHAWK FEDERAL TNK BTY

MONCRIEF 3 OIL BATTERY

MOORE STATE OIL BATTERY

MORRIS BOYD 26 FEE COM 1H

MORRIS BOYD TANK BATTERY

ROSE SOUTH TANK BATTERY

ROSE SOUTH TANK BATTERY

SAM ADAMS 12 FED 4H UBB TK BATT

SANDY CROSSING 32 STATE COM 1

SCHLEY FEDERAL TNK BTY

SHAWNEE FEDERAL TNK BTY

MUSKEGON SOUTH STATE OIL BATTERY SHERMAN 4 FEE 4H BATTERY

NAVAHO FEDERAL TNK BTY

NELSON 13.23. TNK BATT

SHERMAN 4 FEE 6H BATTERY

SHORTY 2 STATE COM TANK BATTERY

NEWCASTLE 6 FED COM - TANK BATTERY SINCLAIR PARKE (PADDOCK) TNK BTY

SHELBY 23 BATTERY

NIRVANA TANK BATTERY

NOOSE FED 10 TANK BATTERY

NOOSE FED 5 TANK BATTERY

OKLAHOMA 32 TANK BATTERY

OSAGE BOYD 15 FED 09.12.13.14 TANK BATTERY

SKELLY 965 BATTERY

SKELLY 968 BATTERY

SKELLY 973 BATTERY

SKELLY 989 BATTERY

OSAGE BOYD YESO TANK BATTERY

SKELLY UNIT 907 CTB BATTERY

PAINT 32 FEE OIL BATTERY

SKELLY UNIT 940 BATTERY

SKELLY UNIT 940 BATTERY

PAN CANADIAN A2-B3 TANK BATTERY SOUTH BOYD FED COM OIL TANK BATTERY

PASSION 1 FED PDK 5H TK BATT

PATTON 5 FEE 2H OIL BATTERY

SOUTH EMPIRE STATE COM 1

SPIKETAIL 5 STATE 2 TANK BATTERY

PATTON 5 FEE 8H OIL BATTERY

PAWNEE STATE TNK BTY

PEACEMAKER 25 FEDERAL TANK BATTERY

SPRUCE FEDERAL TNK BTY

STATE B GAS COM NO. 001

STATE S-19 YESO (SOUR) TNK BTY

PERE MARQUETTE 18 FEDERAL 1 TANK BATTERY STONEWALL 9 FEE #1H TBAT

PILUM 15 FEE 2H BATTERY

STONEWALL 9 FEE 8H BATTERY

SURMARINE 10 FED COM 211 OU BAT

PINTO 36 STATE COM 1H TNK BTY

SUBMARINE 10 FED COM 2H OIL BAT
PINTO 36 STATE COM 4H TNK BTY

TAYLOR D TANK BATTEY

PINTO 36 STATE TB TENNECO STATE TNK BTY

POLARIS B 5-10 TANK BTTY

POSEIDON 3 FEDERAL 4 TANK BATTERY

TEXACO BE TNK BTY

POSEIDON 3 FEDERAL 05.07.17.18 TANK BATTERY TEXAS 32 FEE TANK BATTERY

PUCKETT 13 FEDERAL COM 35H

TEXMACK 36 STATE COM #1

PUCKETT 13 FEDERAL TB TH STATE #1

RAGNAR FED COM 25H - BATTERY THO STATE OIL BATTRY

RANDALL FED 3 BATTERY
THORNTAIL 31 FEDERAL 1

RED LAKE 32 TANK BATTERY
THUNDER ROAD FEDERAL OIL BTTY

REDBUD FEDERAL TNK BTY
TUMAK FED 3 BAT

RINCON STATE TANK BATTERY VEGA 9 FED TANK BATTERY

RJ UNIT NORTH TANK BATTERY

VT 36 STATE #1H

RJ UNIT SOUTH TANK BATTERY

W D MCINTYRE C 10

RONCO FEDERAL #1 WAUKEE 36 STATE COME CTB
ROSE 02.03.04.05.06 TANK BATTERY WD MCINTYRE C 8-9 TNK BTY

ATTACHMENT 1: SPUR FACILITIES WITH ROE REVIEW

WD MCINTYRE E TNK BTY
WELCH A 28 10.20.50 CTB
WESTERN FEDERAL TNK BTY
WHITE OAK STATE B TB
WHITE OAK STATE TNK BTY
WHITE STAR FEDERAL TNK BTY
WICHITA STATE TNK BTY
WILLOW STATE TNK BTY
YALE B OIL BATTERY
YALE STATE TANK BTY
YUCCA STATE TNK BTY

| TRANSCEND RIG 4 | Contractor Specification |
|---|---|
| Make | Schram |
| Model | TXD 130 |
| Year of Manufacture | 2006 |
| Truck Mounted | YES |
| Rated Drilling Depth | 130,000# hook load |
| Rated Depth with Tubing | |
| Derrick Height | 69' 9'' |
| Derrick Type | Telescoping Hydraulic |
| Derrick Capacity | 130,000# |
| Elevators | N/A |
| Drawworks | 760 HP Detroit |
| Wire Diameter | Hydraulic |
| Workfloor Max Height | 8' |
| Tongs | Hydraulic Iron Roughneck |
| Slips | Manual Slips |
| Included Tubing Handling | • 13 3/8" handling tools |
| Tools | |
| Included Rod Handling | 85jts of 4.5" drill pipe |
| Tools | |
| BOP Class Compatibility | |
| Weight Indicator | Hydraulic |
| Rig Safety Equipment | Eye wash station, fire extengushers, |
| | wind sock |
| Pad Size | 60' x 60' |
| Requirements/Limitations | |
| Guy Line Spacing | N/A |
| Other Supplied Rig Equipment | Standard Rig Hand Tools: |
| 1 7000 | • (2) 36" pipe wrenches |
| 1- F800 pump | • (2) 24" pipe wrenches |
| 1- Pill pit 80bbl | • (2) 18" pipe wrenches |
| 1- 400 bbl mud mix | • (1) 24" crescent wrench |
| 1- Shaker 150mesh 1- 500 bbl fresh water frac | • (2) 12" crescent wrenches |
| 1- 500 bbl fresh water frac tank | • (1) 4 lb shop hammer |
| tank | • (1) 12 lb sledge hammer |
| | • (1) 4 foot pry bar |
| | Vehicles for Contractor personnel |
| | Air Impact Wrench with Sockets |
| | Mud Scales (as needed) |



RIG # 57_{1,150 HP Double}

- 161'-4" ·

Mast Drilling Rig

SUBSTRUCTURE

One Piece Step Down

One Piece Step Down
Floor Height: 18' 9" (on 4' pony sub moving system)
Clear Height (beneath rotary beams): 15' 5"
Rotary Capacity: 400,000 lbf
Max Pipe Setback: 400,000 lbf
Note: All floor heights above are based on the substructure sitting on 6"

mats & 4' pony sub moving system

106' telescoping, Drill Line: 1-1/8" Static Hook Load: 440,000 lbf

Racking Capacity: 18,000' of 4" DP, 12,500' of 5" DP

DRAWWORKS

TSM 850 425.000lbs w/ 10 Lines

Input Power: 1,150 hp AC traction motor

Main Brake: 1,150 hp AC traction motor (Dynamic)

Aux Parking Brake: Eaton brake & drum / band brake system

TOP DRIVE
Tesco EXI 600 AC 350 Ton: Max speed 220 rpm,
Continuous Drill Torque: 30,000 ft-lbs
Max Torque (Make / Break): 45,000 ft-lbs
600 hp AC induction motor & drive system with PLC
250 Ton 5 x 36" Becket Block Assembly

IRON ROUGHNECK

NOV ST-80C Conn Range: 4 ½ to 8 ½ Spin Speed: 75 rpm nominal on 5" drill pipe

Spin Torque: 1,750 ft-lbs

Maximum Make-up torque: 60,000 ft-lbs

Maximum Break-out torque: 80,000 ft-lbs

National 27 $\frac{1}{2}$ " 500 Ton with hydraulic drive to position tools only

27 ½" Diameter opening

POWER SYSTEM VFD, MCC, Eaton Drives, Current Power Systems Controls, three Caterpillar C32 gen

sets. 1220 BHP.

MUD PUMP #1 HHF1600 Triplex Rated Power: 1600 hp Stroke: 12"

Input Power: 1500 hp AC traction motor

Pressure Rating: 5000 psi

HHF1600 Triplex Rated Power: 1600 hp

Stroke: 12"
Input Power: 1500 hp AC traction motor
Pressure Rating: 5000 psi

Two Tank system w/ 1200 bbls total capacity

Shakers: Three MI Swaco Mongoose 4 panel dual motion Mud Gas Separator: MI Swaco 4' OD x 12' tall Pill Tank: 54 bbls

MUD SYSTEM 5000 psi Max Pressure

5" Main plumbing and standpipe

SCALPING TANK Main Tank: 186 bbls capacity

Trip Tank: 24 bbls capacity
Shakers: Three NOV Venom shakers dual motion

11" x 5000 psi WP Spherical Annular 11" x 5000 psi WP Double Ram

11" x 5000 psi WP Single Ram (Optional)

MANIFOLD

3-1/8" 5,000 psi c/w two 3 1/8" manual chokes

ACCUMULATOR CTI: 160 gal 6 station 3000 psi, c/w N2 Backup & electric triplex pump

Ja-co Power Catwalk, tubular max length 47' 6", max OD 13 5", max weight 10,000lbs

Drill Pipe: Supplied as needed, per availability Drill Collars & heaviwate: Supplied as needed, per availability

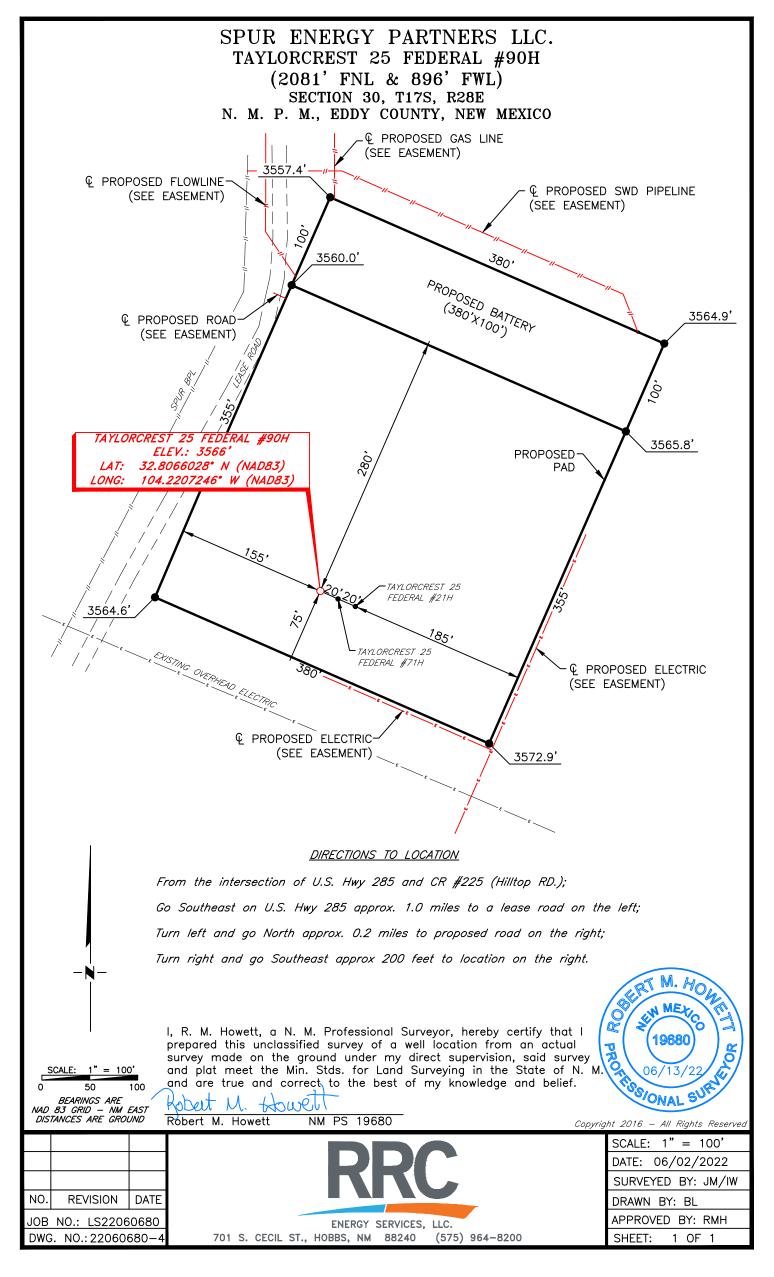
Water Tank: 409 bbls; Fuel Tank 189 bbls; Screw Compressor Boiler: 125 hp with Full Winterization

Walking beam hydraulic pony sub moving system for linear motion & side shift 350' of Utility Suitcase style [50' lengths] connection for hydraulic and electrical

TOOL/ STORAGE/ CAMP
Parts Storage Room and Tool House Room
Rig Manage Trailer: 14' x 44' skid mounted

SUB SHACK CHANGE PARTS **(** ROOM \boxtimes **GENERATOR 3** HHF1600 HF1600 GENERATOR 1 • 2000 Char 10 115'-9† CLEANING MUD – 29'-2" – ⊳|-**- 38'-4"** CENT ACCUMULATOR 62'-3" 皿 81'-2" Standard inventory represents the typical rig configuration and inventory available, but specifications are subject to slight modifications from time to time due to customer requirements.

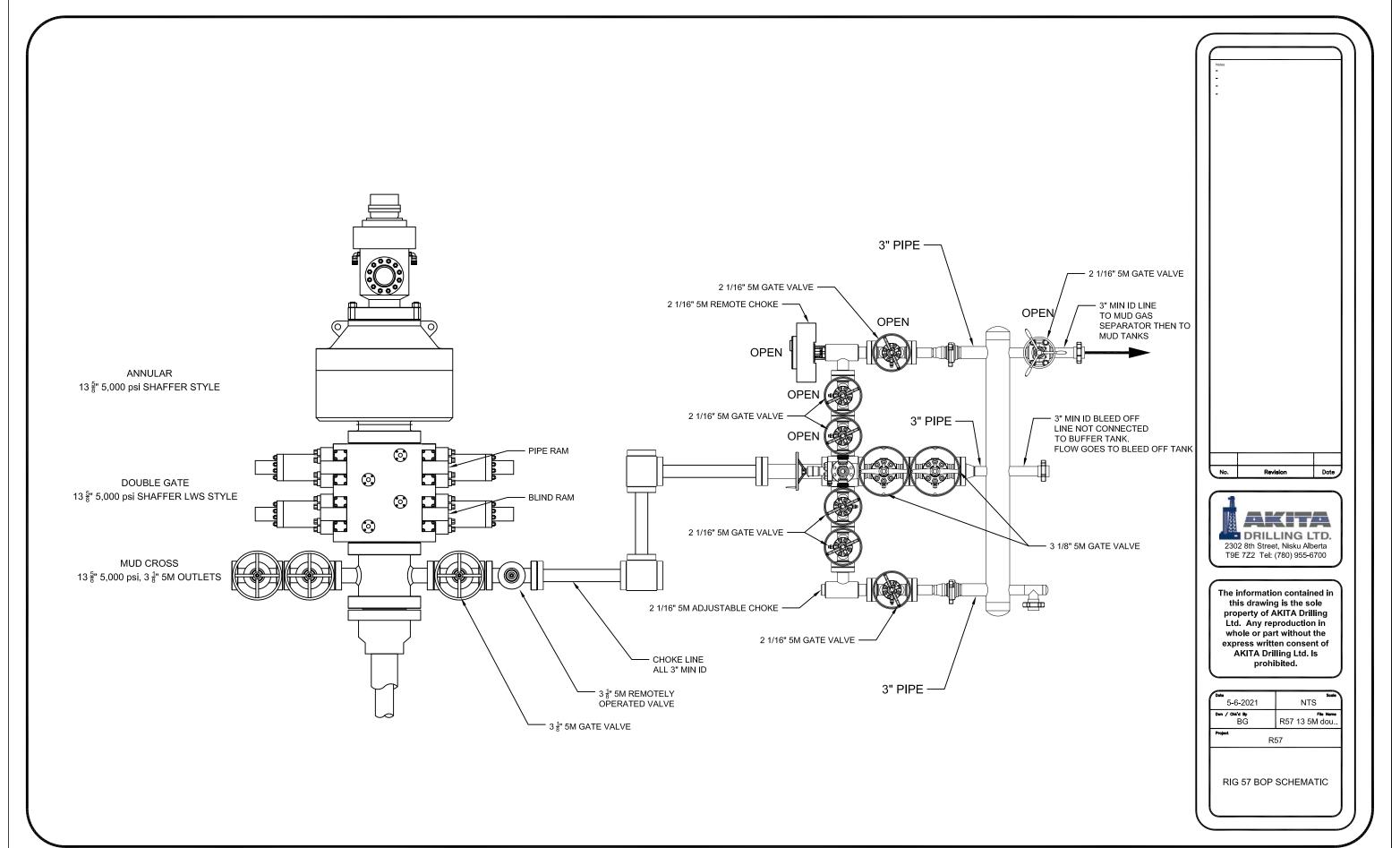
> All ratings quoted herin are manufacturer specifications. AKITA's normal operating parameters are 90% of manufacturer mast ratings and 80% of mud pump manufacturer pressure rating. Operation of rig equipment beyond these parameters requires approval from AKITA field office management.



| Inten | t | As Dril | led | | | | | | | | | | | |
|------------------------|-------------------------|-------------------|-------------|---------|-----------------|-----------|--------|----------|---------|------|--------|------------|---------------|--|
| API# | | | | | | | | | | | | | | |
| Ope | rator Nai | me: | | | | Propert | y Nam | ne: | | | | | Well Number | |
| | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | |
| /ick (| Off Doint | (KOD) | | | | | | | | | | | | |
| UL | Off Point Section | Township | Range | Lot | Feet | Fro | m N/S | Feet | | From | E/W | County | | |
| Latitu | nde | | | | Longitu | ıde | | | | | | NAD | | |
| | | | | | | | | | | | | | | |
| irst ⁻ | Гаке Poir | nt (FTP) | | | | | | | | | | | | |
| UL | Section | Township | Range | Lot | Feet | Fro | m N/S | Feet | | From | E/W | County | County | |
| Latitu | ıde | l | | 1 | Longitu | Longitude | | | | | | NAD | | |
| .ast 1 UL Latitu | Section | t (LTP) Township | Range | Lot | Feet Longitu | From N/ | 'S Fe | eet | From E/ | | Count | у | | |
| Lutite | Juc | | | | Longite | Longitude | | | | | | | | |
| | | | | | | | | | | | | | | |
| s this | s well the | defining v | vell for th | ie Hori | zontal Sp | pacing Ur | nit? | | | | | | | |
| s this | s well an | infill well? | | | | | | | | | | | | |
| | | | | | _ | | | | | | | | | |
| | ll is yes p ng Unit. | lease provi | ide API if | availal | ble, Opei | rator Nan | ne and | d well n | umber f | or D | efinir | ng well fo | or Horizontal | |
| API# | | | | | | | | | | | | | | |
| Ope | rator Nai | me: | 1 | | | Propert | y Nan | ne: | | | | | Well Number | |
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KZ 06/29/2018

Received by OCD: 1/31/2024 1:51:48 PM



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State of New Mexico Energy, Minerals and Natural Resources Oil Conservation Division 1220 S. St Francis Dr. **Santa Fe, NM 87505**

CONDITIONS

Action 310003

CONDITIONS

| Operator: | OGRID: |
|--------------------------|---|
| Spur Energy Partners LLC | 328947 |
| 9655 Katy Freeway | Action Number: |
| Houston, TX 77024 | 310003 |
| | Action Type: |
| | [C-101] BLM - Federal/Indian Land Lease (Form 3160-3) |

CONDITIONS

| Created By | Condition | Condition Date |
|-------------|--|-------------------|
| ward.rikala | Notify OCD 24 hours prior to casing & cement | 2/14/2024 |
| ward.rikala | Will require a File As Drilled C-102 and a Directional Survey with the C-104 | 2/14/2024 |
| ward.rikala | Once the well is spud, to prevent ground water contamination through whole or partial conduits from the surface, the operator shall drill without interruption through the fresh water zone or zones and shall immediately set in cement the water protection string | 2/14/2024 |
| ward.rikala | Cement is required to circulate on both surface and intermediate1 strings of casing | 2/14/2024 |
| ward.rikala | If cement does not circulate on any string, a CBL is required for that string of casing | 2/14/2024 |
| ward.rikala | Oil base muds are not to be used until fresh water zones are cased and cemented providing isolation from the oil or diesel. This includes synthetic oils. Oil based mud, drilling fluids and solids must be contained in a steel closed loop system | 2/14/2024 |